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Top 3 Reasons You Need an Up-to-Date Estate Plan

Although we live in a world where information is easily accessible through the internet, there are still many misconceptions surrounding estate planning. Most of us do not dedicate our time to learning more about topics like estate planning, because we may not know that we need an estate plan or realize the benefits associated with having one. There are some common beliefs you may have about estate planning that may be inaccurate: that having a will avoids probate, being married means everything a spouse owns goes to their surviving spouse, and a person does not need an estate plan if they own few assets. Education on the importance of an estate plan is key to saving the time, money, and heartache that can be associated with lack of planning. Take the time to understand the importance of having an up-to-date estate plan and learn how it not only contemplates what happens after your death, but also protects you and your loved ones if you become incapacitated.

While there are many reasons to establish and update an estate plan, we are going to focus on three.

Reason # 1: An estate plan lets your loved ones know what you want.

People tend to avoid thinking about death and dying and do not discuss these topics with their loved ones. While these topics often evoke strong emotions, it can be important to discuss with your loved ones several aspects of what you want to happen after you die. They may not know what steps to take when faced with loss and grief over your death. You should provide the important people in your life with up-to-date guidance through your estate plan, and in turn reduce any confusion or additional stress following your death. This is especially important if you have had any major changes in your life such as the birth or death of a loved one.

By having an up-to-date, comprehensive estate plan, you can decide and communicate what you want to happen with your money and property, but also make important decisions regarding the care of your minor children and pets and your own final arrangements. There are many benefits of conveying your wishes to your family through an up-to-date estate plan. There may also be appropriate strategies and documents for your particular family structure that you may not be aware of that can provide you and your loved ones with extensive benefits.

Reason # 2: An estate plan is a legally enforceable way to carry out your wishes.

You may think you do not need to memorialize your decisions about what will happen to your property after you die because you are confident that your loved ones will follow your wishes. However, it is hard to predict what will happen in the future, and when faced with financial difficulties, your loved ones may act differently than how you had hoped. For example, while you may think that adding a child to the title of your real property or bank accounts will protect you in the event of incapacity and avoid probate, doing so creates significant risks. Adding a child to your property grants them an ownership interest in that property, and when you die, your child will be the sole owner and can do whatever they want with that

property. This could result in your child preventing siblings or other intended beneficiaries from sharing money or property after your death without recourse. Keep in mind that a child may do this out of what they perceive as necessity due to financial struggles or other issues. While this is only one scenario, this is an example as to why creating an enforceable estate plan with an experienced estate planning attorney will make sure that all you have worked so hard for will end up going to who you want without conflict.

Reason # 3: You get to choose what happens.

You may be hesitant to meet with an estate planning attorney to establish or update your estate plan for a variety of reasons, including a lack of education on the benefits of up-to-date estate planning. It is important to know that if you do not create your own plan or if your estate plan does not cover everything, the state has its own plan. The default estate plan, known as a state's intestate statute, that controls the distribution of your money and property may not align with your wishes. The state's plan will not take into consideration your unique relationships and family structure. If you are part of a blended family, a parent of minor children, a business owner, or part of an unmarried couple, you should strongly consider the consequences of not establishing a plan.

An estate plan can protect you from the consequences of incapacity that can occur as a result of an accident, injury, or illness. Without a plan, you could be faced with a courtsupervised conservatorship or guardianship, in which the court will delegate the control of your person and property to a person whom you may not have chosen or would not want to serve in this capacity. As part of your estate plan, you can choose who can act on your behalf in the event of incapacity and avoid court involvement and the difficulties associated with it. However, it is important that you review your documents periodically to make sure that the people you have chosen to make sensitive decisions for you are still the people you want to do so.

Everyone should have a choice in their future. A qualified estate planning attorney can help you create a plan that illustrates your wishes. If you or your loved ones have any questions about creating or updating an estate plan, please give us a call.