

## PLANNING FOR YOUR PEACE OF MIND

Each of us should be in control of how our assets will provide for our loved ones and our favorite charities. We should utilize competent professional advisors as we thoughtfully go about our planning. We believe that you may find the items listed below to be helpful as you update your plans:

### Wills and Living Trusts:

- Do you update your will at appropriate times, especially when family and business situations and tax laws change?
- Are your personal representatives and/or guardians for children still your first choices? Have you named back-ups in your will?
- Have you considered the use of a revocable living trust to avoid probate costs and to ensure the privacy of your estate distributions?
- Have you taken steps to transfer assets to your revocable living trust (if appropriate)?
- Have you taken steps to avoid out-of-state probate if you have properties in various states?
- Do your family members know where to find all of your important documents?

### Reducing The Estate Tax Burden

- If your family's net worth exceeds \$2,000,000, does your planning allow for the reduction or avoidance of estate taxation?
- If appropriate, do you utilize annual gifting to family members to reduce your taxable estate?
- Have you provided for the use of the full estate tax exclusions for both yourself and your spouse, possibly through spousal gifting?
- Do you routinely update your personal financial statement?

### Family Equity

- If you have named certain children to own property jointly with you, or as a designated beneficiary on various accounts, does this give them unintended financial advantages over your other children upon your death?
- Do any of your heirs have special needs, or is it apparent that they require financial assistance in handling an inheritance?
- Have you named contingent beneficiaries on your IRA, other retirement plans, life insurance, etc. in case your spouse does not survive you?

### Family Harmony

- Have you discussed your estate plan with your spouse and children?
- Have you left written instructions for the ultimate disposition of your personal effects (art collections, household goods, vehicles, etc.)? These items are usually not included as specific bequests in your will or living trust.
- Do you have appropriate documents providing instructions for healthcare and financial issues?
- Have you considered providing future education funding for your children or grandchildren, possibly utilizing "Section 529" plans?

### Insurance Coverage

- Have you considered the purchase of nursing home insurance?
- Is your life insurance coverage adequate to protect your family?
- If you are a co-owner of a business, do you have an updated buy-sell agreement? If so, do you have appropriate insurance coverage to fund the necessary buy-out?

### Charitable Giving Opportunities

- Have you considered making charitable bequests in your will or living trust?
- Have you considered making charities a full or partial beneficiary of your retirement plans or life insurance policies?
- Have you considered Charitable Gift Annuities or Charitable Remainder Trusts that provide you with both a lifetime income and tax benefits?
- Have you considered gifting appreciated stocks to charities, thereby obtaining a double tax advantage?
- Have you considered deeding your house or farm to a charitable organization, while retaining a lifetime interest in, and use of, the property? A substantial income tax deduction results from taking this step during your lifetime.

If you are interested in any of the options listed above, please contact Sandra Leyland, Executive Director at 701 232-3301.

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