

8 Steps to get Started with Estate Planning



You may have heard the saying that only two things in life are certain: death and taxes. Thinking about life's end isn't how most of us want to spend our Saturday afternoons. But it's essential to plan for the event and also implement your plan to make sure others know about it and understand your wishes. If you're unsure where to begin with estate planning, here are some simple steps to get you going in the right direction.

- 1. Take physical inventory of your property and belongings.** Create a catalogue of items that hold value, whether financial or emotional. Talk with your loved ones about items that you think they might want in the event of your passing.
- 2. Organize your financial assets.** List assets such as 401(k) plans, IRAs, bank accounts, life insurance policies and other things you own on paper.
- 3. Collect information on all credit card and other debts.** It can be useful to run a free credit report annually to ensure that any old, unused credit accounts are closed.
- 4. Make a list of your favorite charitable organizations.** If you give regularly, or spend time volunteering, it may be important to think about which charities you would like to include in your estate plans.
- 5. Review beneficiary designations.** Once you pass, accounts and policies in which you listed a beneficiary will pass

to that person. The person or entity designated on the account will take precedence over what is in your will or trust, so be sure that this information is updated to reflect your wishes.

- 6. Simplify your life.** Over the years you may have accumulated multiple 401(k) or other retirement plans from various employers, or have several different IRAs. Consider consolidating these accounts into a single IRA to more easily control your investments with less paperwork and lower costs.
- 7. Create a will.** Every adult should have a will. If you die without a will or living trust, state law will determine the distribution of most of your belongings. This may not be in line with what you want, so it's important that you make your wishes legally explicit to prevent this.
- 8. Seek help from professionals.** They can help make sure that your wishes are known and carried out after you're gone.