

THE ULTIMATE STEP BY STEP ESTATE PLANNING GUIDE & CHECKLIST



CALDWELL TRUST COMPANY

PERSONAL • TRADITIONAL • INDEPENDENT



Planning for your personal passing is never an easy topic to dwell upon, but it's essential. According to a 2017 [survey](#) by Caring.com, more than 60% of all adults in the U.S. don't have any estate planning documents, such as a living trust or will, in case of their death or incapacitation.

The research also revealed that younger generations are more reluctant to creating estate planning documents than older ones. Nearly 8 out of 10 Millennials (ages 18-36) do not have a will, along with 64% of Generation Xers (ages 37-52) and 40% of Baby Boomers (ages 53-71). Conversely, 81% of those age 72 or older have a will or living trust.

The above figures indicate that as people age, they realize the importance of having estate plans on hand. It also demonstrates that most people in the younger generations most likely believe that they are too young to have a living trust or will, or they don't have adequate assets to leave to anyone – which are both inaccurate statements.





WHAT IS ESTATE PLANNING AND WHY IS IT NECESSARY FOR EVERYONE?



Estate planning is the process of obtaining legally-binding documents that indicate how you intend to distribute your assets and liabilities in the case of death or incapacitation. It involves selecting who you want to receive your assets, manage them, and pay for any outstanding debts or estate taxes.

Estate planning is essential for everyone, although most people have misconceptions about it. Some think that they are too young to have an estate plan, or that estate planning is reserved for the wealthy. Others may think the process is too complicated, or even that their family will make the best decisions in the event of their death.

Simply put, if you are an adult and living on your own, it's imperative to have an estate plan. If you die **without an estate plan**, however, the court determines how your assets should be distributed, and in some cases, they may even end up with the state. Your loved ones may not receive what you wanted them to have, and even worse, they may be forced to pay hefty fees to facilitate the proceedings intended to resolve succession issues.





STEP 1: DETERMINE IF YOU NEED AN ESTATE PLAN

When it comes to estate planning, there is no one-size-fits-all solution because there are many factors to consider. Such factors include the complexity of the estate, your state of residence, and the nature of your wishes. In this first step, you will have to establish whether you need an estate plan (hint: you do!) and what you want it to accomplish. Estate plans are important for everyone, and although you may think you don't need one, it's best to consult with a trusted expert for advice on your specific case.

For example, if you have a child under 18 years old, it's necessary for you—as a parent—to have a will and appoint a guardian. This will ensure that your kids are cared for by the appropriate person upon your death. Regardless of your age or wealth, estate planning can help to protect the people and things you value most.

Refer to this checklist of important questions to help you determine whether you need an estate plan. If you answer “yes” to any of the questions to the right, then you need one.

- ☐ Do you have minor or disabled children?
- ☐ Do you have any of the following assets?
 - ☐ Home
 - ☐ Car
 - ☐ Business
 - ☐ Bank accounts
 - ☐ Investments
 - ☐ Retirement plans
 - ☐ Life insurance
 - ☐ Personal property
 - ☐ Any other substantial asset
- ☐ Would you like to pass on any of your assets after death?
- ☐ Would you like your assets to be distributed to loved ones or charities in a specific way?
- ☐ Would you like for your family to avoid an intestate succession after your death?
- ☐ Do you want a trusted person to manage your assets if you are incapacitated or dead?



STEP 2: UNDERSTAND THE BASICS OF BUILDING AN ESTATE PLAN

The complexity and cost of setting up an estate plan depend on the nature of your assets and your state of residence. These factors also determine if you can choose a do-it-yourself option or if you should hire an estate lawyer to build the estate plan for you. In either case, anyone can begin the process with the basic estate planning components.

It's important to note that estate planning may also involve other activities such as making final arrangements, buying life insurance, and looking at ways to protect your business, among others.

A valid estate plan contains 5 key elements:

- ☐ **Will** – A document that outlines your final wishes regarding your property and assets, and appoints one or more persons as the executor to successfully carry out those instructions upon your death.
- ☐ **Trust** – Created to give another person (trustee) the right to hold property and assets for a beneficiary (such as your children).
- ☐ **Power of Attorney** – Legal document that authorizes another person to make legal or financial decisions on behalf of your estate in the event of your death.
- ☐ **Healthcare Directives** – Also referred to as living will, this document allows you to provide specific instructions about future medical care in advance, and authorizes an agent to make medical decisions for you if you become incapacitated.
- ☐ **Beneficiary Designations** – This allows you to establish who you want to receive which assets upon your death. Without them, the court will have to determine who will get your possessions in your place.



STEP 3: OVERCOME WHAT'S GETTING IN YOUR WAY

There are endless reasons to keep putting estate planning off for another day. However, life is unpredictable, and having a plan in place can save your family precious time and money in the event of your death or incapacitation. If any of the excuses or objections to the right are getting in your way, it's time you overcome them and begin building your estate plan today.

Which of these common excuses or objections are getting in your way?

- ☐ My estate is too small
- ☐ I'm too young to think about death
- ☐ I don't have a family
- ☐ Estate planning is complicated, expensive, and for the wealthy
- ☐ I have given my family verbal instructions to follow
- ☐ My spouse will get everything anyway
- ☐ My estate is too complex





STEP 4: GETTING STARTED

Getting help from an experienced, **trusted advisor** is the best and easiest way to begin building an estate plan. These advisors can help by giving estate planning advice to successfully protect and transfer your wealth—from the completion of estate planning documents to the passing of your wealth to beneficiaries. When choosing your partner, make sure they have proven experience in estate planning, understand current tax laws, and demonstrate commitment to the highest standards of service.

The importance of having a valid estate plan cannot be understated. If you currently don't have one, use the above step-by-step guide to create a plan that protects your assets and ensures that they're transferred to the right people after your death. Begin by evaluating whether you need one, understanding the basics of a valid plan, eliminating any excuses, and asking for professional help. As a result, your assets will be protected should you become incapacitated and placed in the proper hands when you're gone.



DISCOVER how Caldwell Trust Company helps families and individuals achieve their financial goals and their personal life legacies, preserve family harmony and provide peace of mind.

Wealth Management Solutions and Traditional Trust Services.

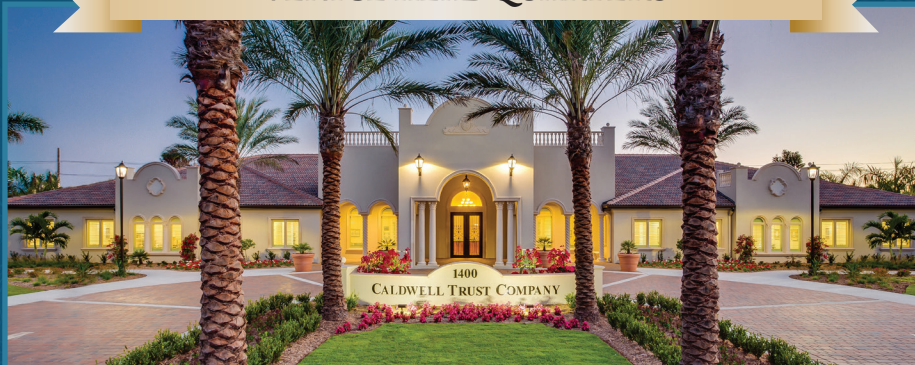
Over a Billion in Assets Under Management.

NEW DOWNTOWN SARASOTA OFFICE



27 S. ORANGE AVENUE, SARASOTA, FL 34236 | 941-926-9336 | Fax: 941-926-9335

VENICE HEADQUARTERS



1400 CENTER ROAD, VENICE, FL 34292 | 941-493-3600 | Fax: 941-496-4660

If you have questions about Caldwell Trust Company and the services we provide, please don't hesitate to contact us.


CALDWELL TRUST COMPANY
PERSONAL • TRADITIONAL • INDEPENDENT

**BUILDING WEALTH
PRESERVING LEGACY**

www.ctrust.com | info@ctrust.com