

Why Plan Your Estate?

Many individuals put off planning their estate. Perhaps this is due to a misconception that estate planning is only necessary for the wealthy and only involves tax planning, which can be done “later.”

The fact is, regardless of your level of wealth and the ultimate tax consequences of your estate, *solidifying the future of your family* is probably high on your list of priorities. That’s why a well-structured estate plan is invaluable. Through it, you can control the distribution of your assets and possessions, as well as name **guardians** for your children or plan care for other dependents.

How Should You Begin?

Your first step should be to assemble a competent, professional, estate planning team. Your attorney, financial professional, insurance agent, bank trust officer, or accountant are all possible members of your team, depending on the size and complexity of your estate.

Your estate planning team can help you complete an analysis of your current estate—a look at your financial position as of today. Next, you must analyze your family’s needs (referred to as a “needs analysis”). Some important questions to be answered are:

- Is there a family member who needs special care or medical attention?
- What are the estimated educational expenses when your children reach college age?
- How will your family’s overall cost-of-living requirements change?
- How will estate taxes affect your assets as they are currently held?

What Information Should You Gather?

A thorough estate analysis requires the gathering of any and all materials involving current or future income, property ownership, insurance, and any legal arrangements already in place. This can include:

- Current income from employment and all investments.

- Any expected **deferred compensation**.
- All retirement benefits, from Social Security (including **survivors' benefits**), **Individual Retirement Account (IRAs)**, **pension plans**, and **profit-sharing plans**.
- Investment documents, certificates, passbooks, etc.
- Deeds to primary and vacation residences.
- A list of all personal property.
- **Life insurance** policies of which you are the owner, the insured, or the beneficiary.
- **Trust** agreements, if any.
- Your **will**, if you have one.
- Current and expected debts and obligations, including mortgage and loan balances, real estate liens, taxes payable, consumer debts, and estimates of funeral costs and estate settlement expenses.

Once you've assembled this information, a complete analysis can begin, giving you the basis for a solid estate plan.

Your Planning Team

The careful planning of an estate requires a great deal of expertise. If you surround yourself with a professional, supportive team as you begin the process, working through its many stages and adjusting your plans over time will assure you—and those you love—that the future will be secure for all.

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