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| |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Estate Planning 101**  **Think estate planning is only for the ultra-wealthy? Think again. Estate planning could have many benefits for you and your family.**  An estate plan makes sense as you approach retirement because it lets you designate who will handle your financial responsibilities after you die or become incapacitated. The plan lays out who will inherit your assets while allowing you to manage the income, estate, inheritance, and gift taxes.  **Begin by evaluating your assets.** You can start the process by inventorying your assets and assigning a current value to each. Include tangible and financial assets such as real estate, collections, personal possessions, vehicles, bank/brokerage accounts, retirement plans, businesses, and life insurance policies. If you can’t develop a market value for an asset, give it the value that it would have for its beneficiary.  **Sort out your family’s needs.** Now that you understand what you own and what its worth, consider how to safeguard your assets and your family after you pass. If you need to replace your income, you’ll want to ensure you have sufficient life insurance to maintain your family’s lifestyle, including paying the mortgage, funding your children’s or grandchildren’s college education, and caring for relatives with special needs. Also, get a sense of how much you’d like to bequeath to friends, charities, and organizations that are important to you.  **Establish the legal entities to accomplish your directives.** The two fundamental items in an estate plan are your will and possibly a set of one or more trusts. Both types transfer assets to heirs, but you need a trust if you want to avoid the delay and expense of probate court. Normally, your estate transfers directly to your spouse without probate or other issues. But when you bequeath your possessions to non-spouse beneficiaries, a will delineates who gets what. A court oversees any contested issues involving the will. Other elements of your estate plan can include powers of attorney and medical directives.  **Trusts let you control your assets from the grave.**When you place assets in a trust, you give power to the trustee to handle those assets for the benefit of the trust’s beneficiary. There are many types of trusts, both revocable and irrevocable. A revocable living trust avoids probate court by transferring assets to the trust upon your death. You can change the trust during your lifetime, and you maintain ownership of the assets until you die. Irrevocable trusts immediately receive the assets you designate and can’t be changed. You can attach conditions for the release of assets to the beneficiary, such as completion of college or the birth of a child.  **Estate planning requires expertise.**The bigger the estate, the more planning you’ll need. However, any estate plan can be sophisticated and require the knowledge of an expert on taxes and estate law. If you’d like to start an estate plan, call me for a consultation. Together, we can create a roadmap that will give you and your loved ones a clear indication of how you wish to distribute your wealth after your death.  LPL Financial Representatives offer access to Trust Services through The Private Trust Company N.A., an affiliate of LPL Financial.   |  |  | | --- | --- | | |  | | --- | | [LET'S CONNECT](mailto:##AdvisorEmail##) | |  |  |  | | --- | --- | |  | Tracking #1-05058121 Expiration 09/23 | | | |