

Fourteen Point Checklist for Estate Planning

Many Americans have estate plans in place — but unfortunately, many are incomplete and the most important subjects aren't even addressed.

I compiled a 14-point checklist to help create a sound estate plan, but first, if you don't have an attorney who specializes in elder law, I strongly recommend that you get one. Start by visiting [The National Academy of Elder Law Attorneys](#) website and click on the red "Find an Attorney" button. To search for a local attorney, try the [American Bar Association Lawyer Referral Directory](#) .

And if you need a financial adviser, here are a few tips for finding a [competent, honest financial adviser willing to work for a reasonable fee](#) . To find a certified financial planner, use the [CFP Board's search tool](#) . To consider a fee-only adviser that charges by the hour, try [The National Association of Personal Financial Advisors](#) .

Now, your estate plan should include:

- A will.

A will provides instructions for distributing assets to your family and other beneficiaries.. You will also appoint someone to be an executor to pay final expenses, taxes, etc. and then distribute the remaining assets. If you have minor children, a will is also a way to designate a guardian for them. A will doesn't take effect until you die and it cannot provide for management of your assets if you become incapacitated. That's why it is necessary to have other estate planning documents in place which become effective if you should be unable to act.

- A durable power of attorney designating who will handle your business affairs and health-care decisions if you are disabled or unable to act.

A power of attorney is a legal document in which you name another person to act on your behalf. You can give this person/agent broad or limited

powers. You should choose this person carefully because he or she will be able to sell, invest and spend or distribute your assets. A *traditional* power of attorney terminates upon your disability or death. A *durable* power of attorney continues during incapacity and terminates upon your death.

- A power of attorney for health care (living will).

A health-care power of attorney authorizes the person you designate to make medical decisions for you in the event you are unable to do so yourself. This document, coupled with a living will are necessary to avoid family conflicts and even court intervention should you become unable to make your own health care decisions.

A living will provides your wishes regarding the use of life-sustaining measures in the event of a terminal illness. It says what you want done and what you don't want done but doesn't give any individual the legal authority to speak for you. That is why it is usually coupled with a health-care power of attorney.

- A revocable living trust to transfer, manage and distribute assets while you are alive and that will avoid probate after your death.

There are many different kinds of trusts, which are usually put in place to minimize estate taxes. Each trust has benefits and should be discussed with your attorney. There are marital trusts, charitable trusts, generation-skipping trusts, bypass trusts, testamentary trusts, qualified terminable interest property trusts, and so on.

A revocable living trust is a trust often used in estate plans. By transferring assets into a revocable living trust, you can manage your financial affairs during your lifetime and provide management if you become incapacitated. A revocable living trust lets trust assets avoid probate, keeps personal information private, and can designate the disposition of trust assets to future generations.

- A form where you can [list all your assets and where they are located](#) .

A do not resuscitate, or DNR, medical order written by a doctor. It instructs health-care providers not to do cardiopulmonary resuscitation (CPR) if a patient's breathing stops or if the patient's heart stops beating. Some feel this is an important document while others don't.

- legacy letter. This is a document designed to pass “ethical values” from one generation to the next. Traditional wills involve what you want your loved ones to have. Ethical wills involve what you want your loved ones to know.
- A discussion with your attorney involving whom you want to inherit various assets.
- A decision as to whom you want making medical decisions if you are unable to act yourself.
- A list of how you want your assets distributed. Have this discussion with your attorney and/or spouse or appropriate family member, trustee, etc.
- A decision as to whether you want to name a guardian for your minor children, if any.
- A discussion with your accountant/CPA and attorney as to the tax consequences of your estate plan.
- Check your digital footprints. Most people aren't aware of the full extent of their digital presence and a review of the steps necessary to protect online information after your death or if you are no longer able to act is warranted.
- Letters to your spouse/family. Consider writing a letter to your spouse or family regarding your wishes should you need to be removed from life support. This letter will make their doing so a great deal easier if you reiterate that this is your wish with a personal, not formal, request.