

# Do You Have Will Power?

According to a recent report, only 42% of Americans have estate planning documents, such as a will or living trust.<sup>1</sup> This may not be entirely surprising. No one wants to be reminded of his or her own mortality or spend too much time thinking about what might happen once they're gone.

But a will is an instrument of power. Creating one gives you control over the distribution of your assets. If you die without one, the state decides what becomes of your property, without regard to your priorities.

A will is a legal document by which an individual or a couple (known as "testator") identifies their wishes regarding the distribution of their assets after death. A will can typically be broken down into four main parts.

## Tip: Let Them Know

Your will may be a good place to outline your funeral wishes. Although heirs are not legally bound to follow your directions, they may be glad to know your preferences.

- **Executors** - Most wills begin by naming an executor. Executors are responsible for carrying out the wishes outlined in a will. This involves assessing the value of the estate, gathering the assets, paying inheritance tax and other debts (if necessary), and distributing assets among beneficiaries. It is recommended that you name at least two executors in case your first choice is unable to fulfill the obligation.
- **Guardians** - A will allows you to designate a guardian for your minor children. Whomever you appoint, you will want to make sure beforehand that the individual is able and willing to assume the responsibility. For many people, this is the most important part of a will since, if you die without naming a guardian, the court will decide who takes care of your children.
- **Gifts** - This section enables you to identify people or organizations to whom you wish to give gifts of money or specific possessions, such as jewelry or a car. You can also specify conditional gifts, such as a sum of money to a young daughter, but only when she reaches a certain age.
- **Estate** - Your estate encompasses everything you own, including real property, financial investments, cash, and personal possessions. Once you have identified specific gifts you would like to distribute, you can apportion the rest of your estate in equal shares among your heirs, or you can split it into percentages. For example, you may decide to give 45% each to two children and the remaining 10% to a sibling.

The law does not require that a will be drawn up by a professional, and some people choose to create their own wills at home. But where wills are concerned, there is little room for error. You will not be around when the will is read to correct technical errors or clear up confusion.

When you draft a will, enlist the help of a legal, tax, or financial professional who may be able to offer additional insight, especially if you have a large estate or complex family situation.

Preparing for the eventual distribution of your assets may not sound enticing. But remember, a will puts the power in your hands.

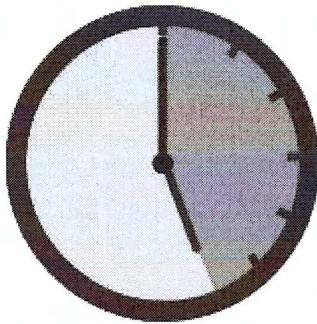
You have worked hard to create a legacy for your loved ones. You deserve to decide what becomes of it.

### Fast Fact: The Difference

Where does the term "Last Will and Testament" come from? Historically, a "will" only provided for the distribution of real estate, while a "testament" dealt with the giving of personal property.

### No Time Like the Present

One recent survey noted that, about half (47%) of people who don't have a will say they just haven't gotten around to it.



**47%**

Just haven't gotten  
around to it yet



**29%**

think they don't have  
enough assets to leave

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1. Caring.com November 15, 2017