

TWO THINGS CERTAIN®

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THREE THINGS YOU NEED TO KNOW ABOUT WILLS

By Daniel C. Gasink

We know we need to get our affairs in order. At a minimum, we need to tell our families who is to take control of our financial and medical affairs at our incapacity or death. This month's newsletter focuses on three basic things everyone needs to know about their will.

- 1) **You Need a Will.** While every person needs a will, parents need them most of all because without a will, **a court will decide who will rear your children in the event of your death.** You do three things in your Will: you nominate *guardians* to rear your children, you list your *beneficiaries* who will inherit your funds, and you appoint an *Executor* to execute your instructions with the court.

Selecting a guardian is the most difficult decision you make in preparing your will. While no one could raise your children as well as you, it is vital that you **select a friend or relative who can watch over your family in the event the unthinkable happens.** While it can be difficult for a husband and wife to agree on a guardian, your compromise will certainly be better than the guess of the court should you fail to plan.

By contrast, **naming beneficiaries is easy.** Typically you will name a spouse as the main beneficiary and the children would take in the event no parent survives. You may also include other charities, friends, or family as beneficiaries in your will if you wish. When providing for young children, you will want to provide for a Trust for their care. This trust, created from your will, is called a *testamentary trust*. You need to include a testamentary trust in your will so that you can determine how your estate is distributed rather than letting the court manage your assets for your children while they are minors; worse, the court will dump the entire estate in the lap of your child when he or she turns 18. **It can be shocking how quickly an 18 year old can spend what you took a lifetime to assemble!**

- 2) **A will is not enough.** Wills only control assets that are in your name when you pass. You must make sure that your Life Insurance, IRA (and 401(k), TSP, 403(b), etc.) list beneficiaries in concert with your will. Be sure that your financial and legal advisors are on the same page or **your property may go somewhere you did not expect upon your death.**

Further, Wills are only good for dead people. To protect yourself in the event of your incapacity, you need **Advance Medical Directives** (including a **Health Care Power of Attorney** and a **Living Will**) and a **Durable General Power of Attorney** to appoint an agent to manage your financial and legal affairs. The Power of Attorney should also nominate a guardian for your children in the event of your incapacity.

If you are worried about making things easier for your executor and agent, you should consider a **Revocable Living Trust**, which is a will substitute that avoids the court involvement of Probate at death and Guardianship in life. Revocable Living Trusts also have substantial tax benefits for married couples.

- 3) **It is easy to start the process.** Many attorneys dedicate their practice to helping people like you solve your problems. My office, for instance, offers **free initial consultations** with no obligation so that you can explore your options without worry.

As a parent, you have countless duties to protect and provide for your family. You provide as best you can in life. Be sure to make arrangements so your spouse and children are cared for in the event you are not able to be there to help them anymore. **You never want your final legacy to be a legal morass.** If you do not have an updated will in place, make an appointment today to protect your family.



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About the Author:

Dan Gasink is an experienced problem solver who helps individuals and businesses achieve and protect their goals of prosperity, stability and growth through appropriate planning. Dan takes great pride in making sure that his work for clients is always reliable, correct, and on time.

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