CI ROOSEVELT PRIVATE WEALTH

Establishing Your Estate Plan's Foundation: 6 Step Checklist

CI Roosevelt Private Wealth can help you navigate all aspects of your estate plan. In the meantime, here is a useful checklist for understanding the basics of estate planning.

1. Check Your Beneficiaries

In general, the beneficiaries you designate on accounts like 401(k)s and IRAs—or on policies like annuities and life insurance—will supersede what you designate in a written will. Therefore, it is important to review and update your beneficiaries each year.

For taxable accounts like Joint Tenants with Right of Survivorship (JTWROS), individual brokerage accounts or bank accounts, there are not typically beneficiary designations available. However, many accounts allow for "Transfer on Death" (TOD) registrations. This designation works like a beneficiary, where you designate who should receive the assets upon your passing. The TOD will also generally override a will, so it is important to make sure your designations are up to date.

2. Create a Will, Powers of Attorney, and a Living Will

Here's a breakdown of items to consider:

- Will - A will is a document used to determine how your assets should be distributed, how your debt is settled, and who should administer the estate.

  You can create a will on your own, but to ensure your family avoids the courts and fees associated with probate, it is best to draft your will with a legal professional. To note, studies show that probate expenses typically range from 2% - 5% of the estate's assets. In dollar terms, we think it could mean paying up to $50,000 to settle a $1 million estate—not a desirable outcome.

- Funeral Expenses – When many people create a will, they often overlook the handling of funeral proceedings. It is already a difficult time for the family and having to handle all the funeral arrangements can be taxing. It can also create confusion. In your will, you can dictate exactly how the funeral proceedings should be carried out and paid for, which will be a great help to the family. To take it a step further, you can plan and pay for your funeral services, burial or cremation in advance through preneed planning.

- Power of Attorney - Setting up power of attorney is useful if you want to give a trusted person access to make decisions on your accounts, like making trades or withdrawing cash. Separate but related is the power of attorney for health care, in which you give someone the authority to make health care decisions on your behalf.

- Living Will - A living will is different from a conventional will. A living will determines how you should receive medical care in the event you can no longer express informed consent.

The first step in creating these documents is to thoughtfully consider how you want your estate to be settled. Talking it over with family is usually important, too.

3. Explore the Costs and Benefits of Trusts

Creating a will and setting your beneficiaries can help establish an orderly passing of your assets. A trust goes a step further, giving you greater control over how, when, and to whom your assets are passed.

For example, you may not want your heirs to receive their inheritance all at once—some of your heirs could be minors or have special needs. In all these cases, a trust allows you to dictate specific terms and conditions for asset distribution. A trust can also help protect your assets from creditors while offering you tax shelters.

Our experienced Wealth Advisors can help you determine which types of trusts may work well with your specific situation, and we also have decades of experience managing investments within trusts.

4. Choose an Executor of Your Estate or Trustees

An executor is charged with overseeing the settling of an estate; designating an executor will take the weight off your family's shoulders.

A trustee is the person or entity you select to handle the administrative aspects and investment decisions associated with managing the trust(s).

The people you select for these roles should be highly trusted and possess some managerial, administrative, and investment experience.

In our view, an effective method for selecting your trustees is to split responsibilities between a corporate trustee (like a bank or other financial institution) and a personal contact, like a family member. The corporate trustee can handle the investment and administrative duties, while the individual trustee can assume responsibility for distributing the assets and maintaining a good relationship with the family.

5. Be Mindful of Tax Laws

Laws applying to estates and estate taxes often change, whether it is exemption amounts, exclusions for gifts, trust rules and regulations, tax rates, and more. Roosevelt can help you stay up to date with everything related to your estate plan and advise you on changes when it makes sense.

Roosevelt's Wealth Advisors can also work with your estate tax attorney to ensure your plan is optimally structured with respect to the latest rules and regulations.

6. Talk to Your Family About Your Estate Plan

Talking to your family about estate planning is critical, but many people overlook it.

The more you prepare and inform your family about the details of the plan and everyone's respective roles, the less of a chance that legal and other challenges will arise later.

In many cases, it can make sense to have your Wealth Advisor or estate attorney mediate this type of discussion with your family, so that everyone can have their questions addressed ahead of time.

Estate Planning is crucial, but its complex nature makes it easy to delay.

If you would like to learn more about working with CI Roosevelt Private Wealth or would like one of our Wealth Advisors to help you navigate your estate plan, please contact Corie Gabriel at

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