



| COMMON ESTATE PLAN DOCUMENTS | | | | | |
|---|--|---|--|--|--|
| | LAST WILL AND TESTAMENT | LIVING WILL | MEDICAL POWER OF ATTORNEY (POA) | FINANCIAL POWER OF ATTORNEY (POA) | REVOCABLE LIVING TRUST |
| WHAT DOES THIS ESTATE PLAN DOCUMENT DO? | This document explains how one's property and assets are to be distributed upon one's death | This document explains one's preferences for life-sustaining treatment if one is terminally ill and incapacitated | This document grants someone else the power to make medical decisions on one's behalf immediately (durable POA) or upon incapacitation (springing POA) | This document grants someone else the power to make financial decisions on one's behalf immediately (durable POA) or upon incapacitation (springing POA) | This document explains how one's property and assets are to be distributed upon one's death |
| WHY MIGHT SOMEONE CONSIDER USING THIS ESTATE PLAN DOCUMENT? | To avoid letting one's state law determine (with no say from the family) how one's assets and belongings are to be distributed | To ensure one's medical preferences (e.g., dialysis, CPR, tube feeding, surgery, resuscitation, ventilation, etc.) are appropriately followed | To ensure important medical decisions (e.g., life-sustaining treatment, surgery, etc.) are not delayed or denied | To ensure important financial decisions (e.g., paying bills, selling assets, filing taxes, etc.) are not delayed or denied | To avoid probate, keep the estate private, and ensure one's wishes are carried out immediately without delay |

| COMMON ESTATE PLAN PERSONNEL | | | | | |
|--|---|--|---|---|---|
| | EXECUTOR | GRANTOR | TRUSTEE | POWER OF ATTORNEY (POA) AGENT | GUARDIAN |
| WHAT DOES THIS PERSON DO? | Settles the estate as dictated by the will | Creates the trust and decides what it should accomplish | Manages the trust for the beneficiaries | Makes financial and/or medical decisions on behalf of another person | Cares for and makes decisions on behalf of a child |
| WHAT DUTIES WILL THIS PERSON BE RESPONSIBLE FOR? | Handling probate, paying off debts, distributing assets, filing final tax returns, etc. | Forming the trust, naming a trustee(s) and beneficiaries, specifying how the trust will be managed, etc. | Carrying out the trust's instructions, distributing assets, filing trust tax returns, managing trust assets, etc. | Medical: making decisions regarding surgery, treatment, location of services, etc. Financial: paying bills, filing taxes, managing investment accounts, etc. | Financially supporting the child, raising the child, enrolling the child in school, managing the child's healthcare, providing food and shelter, etc. |
| WHAT DOCUMENT IS THIS PERSON TYPICALLY NAMED IN? | The will | The trust | The trust | The medical and/or financial POA documents | The will |



| | COMMON ESTATE PLAN STRATEGIES FOR TRANSFERRING ASSETS | | | | |
|--|---|----------------------|------------------------|------------------|---------------------|
| | JOINT OWNERSHIP | BENEFICIARY | REVOCABLE LIVING TRUST | WILL | NO WILL (INTESTACY) |
| WHAT STRATEGIES DOES THIS TAKE PRECEDENCE OVER? | Beneficiary, Trust, Will, No Will | Trust, Will, No Will | Will, No Will | No Will | N/A |
| DOES THIS STRATEGY AVOID PROBATE? | Yes | Yes | Yes | No | No |
| HOW QUICKLY DO ASSETS TYPICALLY PASS TO HEIRS? | Fast | Fast | Fast | Slow | Slow |
| DOES THIS STRATEGY HAVE EXPENSES? | No | No | Yes | Yes | Yes |
| IS THIS STRATEGY PUBLIC OR PRIVATE? | Private | Private | Private | Public | Public |
| CAN THIS STRATEGY BE CONTESTED? | No | No | No ¹ | Yes | Yes |
| CAN ASSETS PASS OUTSIDE OF THE ESTATE WITH THIS STRATEGY? | No | No | No ² | No | No |
| DOES THIS STRATEGY REQUIRE AN ADDITIONAL TAX RETURN TO BE FILED? | No | No | No ³ | No | No |
| DOES THIS STRATEGY GENERALLY REQUIRE HIRING AN ATTORNEY? | No | No | Yes | Yes ⁴ | No |
| CAN IRAS AND ERISA PLANS BE PASSED ON? | No | Yes ⁵ | No ⁵ | Yes | Yes |

¹While there may be circumstances when a trust could be contested (e.g., fraud, etc.), they are rare in comparison to how a will might be contested.

²Assets will only pass outside of the estate (i.e., not subject to estate taxes) if they are held within an irrevocable trust.

³A revocable living trust becomes irrevocable upon the grantor's death. At that point, the trust may require a tax return to be filed (depending on the amount and timing of income in the trust).

⁴While some states may consider a self-made will to be legally valid, hiring an attorney is generally recommended to help you draft a proper will.

⁵IRAs and ERISA plans cannot be put in a trust. However, a trust can be listed as the beneficiary of IRAs and ERISA plans.



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