Friendship Village

Eight Essential Questions About Your Will

Answering these simple questions will make a big difference in the lives of those you love.

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What Should I Be Asking Myself?

Planning your estate through a will is a process that you should approach with time and consideration. These eight questions could help you avoid some common and serious mistakes.

1. **Do you think that only rich people need a will?**

   Everyone needs a will. If you own any assets, even if you anticipate your estate will be small, it's still important to have a will. Protecting your assets through an estate plan will avoid delays and expenses that reduce the size of your estate.

2. **Do you think you only need a will if you have dependents?**

   Again, anyone needs a will if they want to have a say in who receives the things they own. A will reduces delays, reduces probate costs (the legal process of proving a will is authentic) and other costs, and can minimize estate taxes.

3. **Do you believe the state will take care of everything for you?**

   If you die intestate (without a legal will), you have no way of ensuring your assets will be distributed as you would like — you give the state where you live the right to decide who will receive your money and possessions - and assets may go to heirs that you had no intention of providing for.

   Since state law can't provide for every possibility, your assets will be distributed through a one-size-fits-all plan: usually children receive equal amounts, and there are no provisions for special gifts for friends or favorite charities. Preparing a proper will is the only way to ensure that your loved ones are taken care of and that your favorite charities are remembered as you wish.

4. **Do you think you don't need a will because your property is held jointly with your heirs with rights of survivorship?**

   There can be advantages to doing this, but joint ownership does not reduce the need for a will, and can even create unintended gift tax liability. It can also deny you control of your property while you're still living.

5. **Should you write your will by hand?**

   A handwritten will is not legal in every state. Yes, there are places where a handwritten will — known as a holographic will — is perfectly valid, but is saving the cost of an attorney's fee worth the risk of having your will invalidated or your wishes misinterpreted? Keep in mind that the cost of having a qualified attorney draft your will is generally only a few hundred dollars.

6. **Do you need to keep your beneficiary designations up-to-date?**

   When you establish savings accounts, annuities, life insurance policies, and individual retirement accounts, you may name beneficiaries as part of the process. You should be aware that these named beneficiaries will take legal precedence over any instructions in your will about distributing these assets. When you draft your will, be sure to review all of your savings and retirement accounts, as well as life insurance policies — to make sure your assets will go where you want, and will benefit the people and/or organizations of your choice.

   You should review your plans periodically because life happens, and things change. Tax laws change. Beneficiaries or executors may die before you do. Estate values grow or shrink. Children grow up, or marry, or go to college. Family members divorce. Friends become estranged. Charitable wishes may change when you form connections to new causes.

   A periodic review of your will ensures that your estate plan continues to match your current circumstances.

7. **Are you too young to need a will?**

   Don't fall into this trap. Actually, this is when you need a will the most. A properly drafted will is your way to provide detailed instructions for the care of young children, and provides you with the foundation you need to build a strong financial future. You can always update your will as needed to reflect changes in your situation.

8. **Can you just leave everything to your spouse?**

   This is the obvious choice for many people, but there are a few issues to consider:

   - If an accident claims you and your spouse at the same time, the state may be in control of distributing your assets.

   - If your spouse is not the parent of your children, even if you both agree on what to do with your property upon your death, there is always the possibility that unintended beneficiaries may receive your property.

   - Your spouse may not feel the same way you do about an heir or charity. This may mean that bequests you would like to make go unfulfilled.

Contact Information

So, unless you have a crystal ball and can predict the future, an up-to-date will should be on your to-do list. If you already have a will, we encourage you to review it every five years or after any significant event — marriage, birth of a child, death of an heir, interest in a new charity, loss of a special friend, acquisition of a major asset. And, when you take time to review it, please consider a bequest to Friendship Village, if you haven't already.

Many of the changes you might want to make to update your will don't require writing an entirely new document. In fact, many can be handled by using a codicil (or amendment) to your will. A codicil is then attached to your original will, to be executed with your will.

Planning your estate and legacy for future generations including your charitable interests takes careful evaluation. Consulting with the appropriate professionals can assist you. Discussing your charitable intentions with us can lead to a much better result than going it alone — and will ensure that your gift is used just as you wish. We can provide valuable information about any of the creative giving techniques mentioned in these planned giving pages.

Act now to take the steps that you need to do to be a good steward of the resources you intend to leave behind. You can contact us below, or use our request for information form on our website to get more information.

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