

# THE CATHOLIC FOUNDATION IN THE ARCHDIOCESE OF DUBUQUE

— Sustaining a Vibrant Catholic Faith —



## Three Reasons We Avoid Will Planning and Three Easy Steps to Get a Will Done

Every year, the vast majority of Americans who die do so without having prepared a valid last will and testament. For the past three decades the numbers hover between 70% and 80%. This statistic is especially astounding since state and federal laws provide some significant incentives for the preparation of a will. These incentives are designed to make it easy for very personal wishes to be known and followed—wishes that deal with child custody, property distribution and a legacy of values. Not to mention the fact that, in many cases, a carefully planned will serves to actually minimize costs related to settling an estate.

### Three Reasons Americans Avoid Preparing a Will

#### 1. Too Little Property to Merit a Will

It is easy for many Americans to look around and feel their estate is small and does not warrant the time and expense of a will. After all, the headlines always highlight multi-million dollar estates. The truth is that every day many people die possessing much more than they realize. What may be a modest home today, a small investment portfolio or just the beginning of a savings account can enjoy significant growth in value before death. Even if you don't own a lot of property, a will is needed to make other important decisions. In the absence of a will, the state will make these decisions for you. A judge will name an executor, a bond may have to be posted, the court will name a guardian for any minors and a formula will determine asset distribution.

#### 2. Life Gets in the Way

It is completely possible that the single biggest reason Americans fail to prepare a will falls into the "life just gets in the way" category. For some, it is simply the day-to-day routine that prohibits them from considering a will. For others, it is the reality that no one plans to die, or certainly no one enjoys planning to die. For another group it may be rationalized under the "no one can know the future" reason, thinking that so much could change between today and the time of death. What good could it do to plan today? While it's impossible to know or control what happens in the future, you can have security about achieving your ultimate goals by making a plan. Planning is one way to create a secure future for you and your loved ones. With a good plan, you can rest easy knowing that your family will be well cared for and your property will pass to your intended beneficiaries.



### 3. Thinking a Will is Costly

In many instances, a carefully prepared will does have some attendant costs, at a minimum of \$300-\$500 and more where complicated or larger estates are involved. However, a few hundred dollars or more pale in comparison to the cost of having no will at all. Without a will, an estate may face the maximum in applicable probate costs and taxes. In the event of any family disagreement over distribution, legal costs skyrocket. By the time settlement occurs, hundreds or even thousands of dollars might have been lost. In some cases, heirs can actually end up bearing the brunt of out-of-pocket costs. Having a will could even save you and your family money. Planning today can help save costs and better provide for your family and future.

## Three Easy Steps to Create Your Will

### 1. Think Through Some Big Questions

- WHO is dependent on you for financial support? Are you married? How many children and grandchildren do you have? Do you have any heirs with special needs?
- WHO will receive your assets?
- HOW much is "enough," and what is an appropriate inheritance for each heir?
- WHAT else do you really desire for your heirs beyond money—college education, social responsibility, etc.?
- WHAT charitable institutions have been most important to you, and do you want to include them in your plans?
- WHO will be the guardian of your dependent children?
- WHO will have the power to manage your finances if you're no longer able to manage your property or later wish to have someone else manage your property?
- WHO will make your healthcare decisions if you become unable to act on your own behalf?
- WHAT decisions do you want regarding extraordinary measures, pain management, feeding and nutrition, or other care at the end of your life?





## 2. Utilize CFAD's Free Will & Estate Planning Resources

If you haven't thought about planning for the future, there is no better time.

Take advantage of our great resources to help you in your planning. Our website includes a number of valuable tools:

- estate planning videos and literature
- downloadable Estate Planning Guide OR online Wills Planner

Estate planning videos and literature can be found at <https://legacy.OurCFAD.org/about-wills>. Learn about the ways you can provide for your family, create gifts of income, save on taxes and benefit a Catholic organization with your plan.

You have two options to thoughtfully go through and document the above questions, organizing your family, estate information and goals. The options are either the downloadable Estate Planning Guide or the online Wills Planner. They both will help you achieve you creating a will. They are just options depending on how you would like to compile, organize and store your information for your will.

Our downloadable Estate Planning Guide is an easy-to-use, fill-in-the-blank booklet that can help you organize all of the information an estate planning attorney will need to create your will or trust plan. From our website, you can download it and fill it out on your computer. Or, you can print it and fill it out by hand. You can also request a free copy be mailed to you. Visit our website at <https://legacy.OurCFAD.org/wills-guide> to download it or call or email CFAD. Once you have it completed, you can have your attorney help you finalize your plan to make it legal.

Creating your plan is easier than ever before when you use the online Wills Planner available on our website's secure system. If you have questions, information can be shared through the system so we may better assist you. To get started please visit <https://legacy.OurCFAD.org/plan-your-will> and click on "Create a New Account." Create a username and password; then login. Enter information on your family, contacts and



healthcare, finances and your estate. Once you have completed all sections of the online Wills Planner, click on "Create a PDF" to compile the information your attorney will need to finalize your plan. Be sure to have your attorney review your will. It is not legal until they do so.

### **3. Prepare For and Meet Your Estate Planning Attorney**

Whether you are meeting with an attorney to discuss your first will or trust or to revise your existing estate plan, there are some ways you can begin to prepare for your meeting today. Write down a list of questions you have for your attorney. You've completed the downloadable Estate Planning Guide or the online Wills Planner and thought through your needs and goals in advance. This helps to ensure that the meeting with your attorney is efficient and effective. If you did the online Wills Planner, you may share your information with an online attorney to complete your will or trust plan. If you completed the downloadable Estate Planning Guide, or used the online Wills Planner and don't want to use one of the online attorneys, you may select your own attorney to meet with to share your compiled plan and finalize your will. While CFAD does not endorse any particular attorneys, you may contact us if you need a resource.



There are some other questions to discuss with your attorney. First, do you need a living trust? A living trust operates much like a will but it has several added benefits. A person can transfer assets to the trust and continue to manage property during his or her lifetime. Unlike a will, the provisions of a living trust document remain confidential. When an individual passes away, a living trust typically allows for an estate to be settled in less time than if there is a will. An appointed trustee will pay any debts and make distributions based on the terms of the trust document without the need for court approval. Talk to the attorney about this potential option.

What's the best way to make a bequest to charity? In considering your plans for the future, you may not only be thinking about how to help your family and save on estate taxes, but



also how you might benefit one or more charitable organizations. A bequest permits you to leave a lasting legacy and often provides valuable tax savings. A charitable bequest is one of the easiest gifts to make. You can gift a bequest of 1) a specific dollar amount, 2) a specific property or 3) a percentage of your estate in your will or trust plan. If you wish to make a gift of your IRA or 401(k) plan, this can usually be done by filling out a beneficiary designation form provided by your plan administrator.



The charitable bequest is one of the best ways for you to express your specific philanthropic goals. In fact, the bequest is the most frequently utilized method to support charity in America. While many may think philanthropy is reserved for a select few, the truth is that every bequest to CFAD helps us continue our work of sustaining a vibrant Catholic faith. You can designate CFAD in general to use the gift for the area of most need or designate it to one of the Catholic organizations we serve to sustain. You may also look to create a new fund to help sustain the faith. Contact us to learn more about these options.

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