



## How to Personalize Your Will

### A brief guide to your assets and methods of giving

Since the time your will was prepared have you:

*Moved to a different state?*

*Watched your stocks, real estate, and other assets fluctuate in value?*

*Changed your marital status?*

*Added children or grandchildren?*

*Lost a beneficiary through death?*

If so, it's a good idea to have your attorney review your will at the earliest possible time. There are many other reasons for considering a visit to your attorney for a review of your estate planning situation. For example, there have been significant changes in federal estate and gift taxation in recent years. These changes could either cost you or save you thousands of tax dollars – depending on what you do (or don't do) in response.

#### **Remember:**

1. *Make a will.*
2. *Keep it up-to-date.*

#### **Drafting a will means much more than simply deciding who will receive which assets.**

*What specific assets will you give your loved ones and friends?*

*And what methods of giving will you utilize?*

#### **SPECIFIC SUMS**

Individuals often include provisions in their wills for beneficiaries to receive stated sums of money. The beneficiary could be an individual or a charitable institution or organization. One example of such a specific bequest would be, *"I hereby give and bequeath the sum of \$10,000 to my niece, Mary Doe."*

Before including provisions in your will for specific sums, have an idea of the total amount of cash bequests you want to include in your will. Although it is certainly not necessary for your estate to have this much cash on hand at the time of your death, there should be some means available to satisfy all the cash bequests contained in your will (in addition to paying debts and expenses of the estate). The executor of



your estate can raise cash through the sale of property. Other sources of cash may include life insurance proceeds payable to the estate and financial obligations owed to your estate.

In deciding whether to leave a bequest of a specific dollar amount, keep in mind that a dollar will likely be worth much less in the future — when the beneficiary actually receives the money — because of inflation.

Likewise, depending upon your investments and your lifetime expenditures, a cash bequest could represent a larger or smaller portion of your estate than you really intended to leave to a named beneficiary. Thus, many individuals utilize bequests of fractional shares, or percentages of their estate, rather than specific sums. For example, 20% of your estate could go to us, 20% to John Doe, 30% to Susan Smith, and so forth.

## **SPECIFIC ITEMS**

Everyone owns assets which have special significance to others. Examples include jewelry which has been in the family for generations, stock in a particular company, or real estate that is being left to someone because of its location or family history.

Attempting to leave special household items to named individuals can be cumbersome. First, there may be problems in adequately describing the items, especially if they are numerous. Also, certain named items may not be found when it comes time to distribute them. They may have been sold, lost, destroyed, or even given away during life to someone else. Nonetheless, if you wish to be certain that someone is going to inherit a specific item, include that specific item in your will.

*ESTATE PLANNING TIP: Rather than including a long list of specific items in your will, you may be able to create outside of your will a separate list of items and their future recipients. Since this list may change from time to time, it can be better to have the list outside the will — and then have the will refer to this separate list. Thus, the list can change without having to rewrite the whole will. While this list does not have the same binding force as a will, most people will honor it if it is mentioned in your will. Check with your attorney for the details.*

## **TRUSTS**

Trusts are often created in wills, for tax-saving or management reasons or both. There are many different kinds of trusts that can benefit surviving spouses, children, grandchildren, charitable institutions and organizations, or a combination of



beneficiaries. See your attorney for details. We would be glad to provide you with additional information on charitable trusts that can benefit you as well as us.

## **CONTINGENT BEQUESTS**

You may wish to include someone or some charitable institution or organization as a beneficiary in your will only under certain circumstances. For instance, you may wish to name us as a beneficiary of your estate if certain named individuals do not survive you.

## **OTHER ASSETS**

Every will should have a residuary clause. This is a provision that disposes of all property that remains in the estate after payment of debts, expenses of administration, and after the satisfaction of all other provisions contained in the will. It might read, "All the rest, residue, and remainder of my property, both real and personal, tangible and intangible, that I might own at the time of my death, I give, devise, and bequeath to..."

All of the property passing under this item of a will does not have to pass to one person or organization. For example, the will may provide that we receive one-fourth of the property passing under the residuary clause, with another one-fourth to go to another charitable beneficiary and the remaining one-half to named individuals. Numerous combinations are possible.

## **FOR ADDITIONAL INFORMATION**

These are just a few suggestions for how you can include us in your will and, at the same time, benefit your loved ones and friends. Your attorney can provide you with additional information on how these general rules apply to your specific estate planning situation. We would be pleased to provide you or your attorney with additional information on how to include us in your estate planning.

For questions or more information on planned giving options, please contact Nanon Morrison, Chief Development Officer at [NMorrison@lionslighthouse.org](mailto:NMorrison@lionslighthouse.org) or 770-738-4660 Ext : 302.