

Estate Planning Guide



The Four P's of Estate Planning

The Confidential Estate Inventory is designed to assist you in gathering the necessary and pertinent data on your estate. It is divided into four sections, known as the Four P's of Estate Planning: People, Property, Plans and Planners.

Each section which pertains to your personal situation should be completed as thoroughly as possible, using the guidelines provided.

This is all information which you can gather in the privacy of your

own home. By doing so, you conserve valuable time and may reduce the cost of professional counsel as you discuss implementation of your estate plan.

Guidelines for Completing the People Section

This section contains data on the PEOPLE of your estate plan; family members, other individuals, and charitable organizations who are a part of your estate distribution. As you consider who these individuals are, we trust the following guidelines will be of interest and value.

THREE REASONS WHY PEOPLE GIVE

1. DEPENDENCY: Who is dependent upon you for financial support (husband, wife, minor children, aged parents)? Those who would suffer financial loss at your death take first priority, according to state law as well as Scriptures.

"Anyone who does not provide for their relatives, and especially for their own household, has denied the faith and is worse than an unbeliever"
1 Timothy 5:8, CEV

Note this verse does not refer to prospering those individuals, nor does it necessarily speak to those who are no longer part of the household. But it strongly condemns the individual who does not care for his dependents.

2. LOVE: Though they may not be dependent upon you, there may be those for whom you wish to make provisions because of your love for them. This too is Scriptural, "For God so loved... that he gave..." This is also a reason to list your charitable organizations. You love the people who are doing God's work here on earth. As Jesus loved when He looked over Jerusalem and wept, you love the lost, dying and hurting world they are trying to reach.

3. TRADITION: We contend that this is not a valid reason.

Neither the Scriptures nor the laws of the states say you must divide your property equally among family members because of tradition.

If they do not qualify as dependents, or if you cannot give to them out of love, you may need to reconsider your interpretation of God's plan of stewardship for your estate.

As you are listing the people of your estate, give complete information for all individuals — children from a former marriage, deceased children, adopted children, foster children and any other relationships that apply to your situation, including the extent of dependency.

Your Name		Date of Birth
Home Address		
City	State	Zip
Occupation	Email	
Business Phone	Personal Phone	

☐ Single ☐ Married ☐ Widowed ☐ Divorced ☐ Separated

Spouse's Name _____ Date of Birth _____

Occupation _____ Email _____

Citizenship *(if other than USA)* _____ Self _____ Spouse _____

CHILDREN

Name	Birthdate	Sex	Married/Single	Children	Age
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Former Marriages _____ Self(s) ☐ Yes ☐ No _____ Spouse(sp) ☐ Yes ☐ No _____

CHILDREN OF PRIOR MARRIAGES

Name	s	sp	Birthdate	Sex	Married/Single	Children	Age
_____	☐	☐	_____	_____	_____	_____	_____
_____	☐	☐	_____	_____	_____	_____	_____
_____	☐	☐	_____	_____	_____	_____	_____
_____	☐	☐	_____	_____	_____	_____	_____

Do any of your children have permanent disabilities? *(please provide details)*

DECEASED CHILDREN

Name	Birthdate	Sex	Married/Single	Children	Age
_____	_____	_____	_____	_____	_____

OTHERS TO BE CONSIDERED

Name	Birthdate	Sex	Relationship	Age
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

CHARITABLE ORGANIZATIONS

Name	Address
_____	_____
_____	_____
_____	_____

Guidelines for Completing the Property Section

It is now time to take a complete inventory of property included in your estate.

When you are making a listing of your property, it is important that you clearly convey to your planners how your property is titled. The five primary types of property ownership are:

1. Individual ownership
2. Tenants in common
3. Joint tenants with rights of survivorship
4. Tenants by the entirety
5. Community property

The success or failure of tax planning and the final distribution of your estate are often dependent upon the coordination of property titles with legal instruments such as wills and trusts.

Careful review is important.

It would not be practical to have appraisals made on all of your property at this time. However, it is important that you furnish your professional counsel with reasonable values. Be realistic: do not overvalue, or be too conservative. Give special attention to collections, hobbies, jewelry, and antiques.

If there is any question on valuation or title, provide your professional counsel with as much information as possible.

Using these guidelines, you are ready to take inventory of your estate.

Checking and Savings Accounts/Time Certificates/Money Market Funds

Type of Account	Maturity	Owner	Current Value
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
Total:			\$ _____

Real Estate

Type	Location (State)	Owner(s)	Purchase Date	Cost Basis	Mortgage Balance	Market Value
Residence	_____	_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	\$ _____	\$ _____	\$ _____
Total:						\$ _____

Life Insurance (Individual/Group/Mortgage)

Insured	Owner	Primary Beneficiary	Contingent Beneficiary	Plan of Insurance	Death Benefit
					\$
					\$
					\$
					\$
Total:					\$

Non-Retirement Securities (Stocks/Bonds/Mutual Funds)

Name of Company	# Shares	Owner	Type	Original Cost	Current Value
					\$
					\$
					\$
					\$
					\$
Total:					\$

Retirement Plans/Employee Benefits

(IRA, 401(k), 403(b), Tax Deferred Annuity, Qualified Pension, Stock Options, Deferred Compensation Agreement, Roth IRA)

Plan Type	Owner	Beneficiary	Value
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
Describe any unique provisions			Total: \$

Business Interest

Name of Business _____

Business Activity _____ Value: \$ _____

(Note: If farm, include value of machinery, livestock, grain in storage. List value of land under real estate.)

Have minority interest or lack of marketability discounts been considered in this value? ☐ Yes ☐ No

Net Profit (Before owner's earnings & taxes): Year 20 _____ \$ _____

Projected Future Change: Year 20 _____ \$ _____

Business Life Insurance: Beneficiary _____ \$ _____

Are any family members involved in business? ☐ Yes ☐ No

Names _____

Form of Business ☐ Sole Proprietorship ☐ Partnership
☐ C Corporation ☐ Professional Corporation
☐ S Corporation ☐ Personal Holding Company

Buy/Sell Agreement ☐ Yes ☐ No

Describe (or attach copy) _____

Owner/Key Employees	Age	% of Shares Owned	Annual Income	Include in Buy/Sell?
_____	_____	_____	\$ _____	_____
_____	_____	_____	\$ _____	_____
_____	_____	_____	\$ _____	_____

At Death Business is to be: ☐ Continued by Heirs ☐ Liquidated
☐ Sold to Surviving Owners ☐ Other
☐ Sold to Key Employees

Please describe any unique qualities of your business that you feel are pertinent to your estate design:

Miscellaneous Assets

Type	Description	Owner	Value
Autos			\$
Personal Property			\$
Collections/Hobbies/Antiques			\$
Precious Metals/Gems			\$
Oil and Gas Interests			\$
Notes Receivable			\$
Limited Partnerships			\$
Mortgages/Contracts			\$
Other Assets			\$
			\$
			Total \$

Liabilities (Non-mortgage)

	Owed on What Property	Amount
Current Bills		\$
Bank Loans		\$
Notes Payable		\$
		\$
		\$
Total		\$

Future Inheritances

		Amount
SELF	From Whom? _____ Age _____	\$ _____
SPOUSE	From Whom? _____ Age _____	\$ _____

Federal Income Tax Information

For Year 20 _____	Adjusted gross Income	\$ _____	Taxable Income	\$ _____
Projected Change This Year 20 _____		\$ _____		\$ _____

Guidelines for Completing the Plans Section

When we talk about plans in this section of the Guide, we are focused upon what you understand to be God's plan of stewardship for the distribution of your estate.

CONSIDER

1. *If death had occurred yesterday, how would you want your Property distributed to your People?*

Pretend the value of all your properties was cash, and assume you are giving away that much money today. You cannot wait until tomorrow. How much will you give to each of the individuals and organizations you have listed as the People of your estate plan? The only valid estate plan is the one in effect when death occurs.

2. *Most likely you will have a long, prosperous life. Now consider, what will change your plans in the future?*

Dependents may no longer need your support. An inheritance may change your estate value (and increase taxes). A beneficiary may die, your estate values may change, etc.

Your professional counsel needs complete information to design an estate plan which will carry out your goals and objectives, express what you understand to be God's plan of stewardship for your estate, and be sufficiently flexible to accommodate future changes in your estate.

If you have an estate plan and are reviewing or revising that

plan, it is important that you provide copies of existing wills, codicils, durable powers of attorney, and trusts to your professional counsel. If any reportable gifts have been made, provide complete details on these gifts. And if prenuptial agreements, or powers of appointment are in existence, copies of these should also be provided.

Existing Plans

	Self		Spouse	
Do you have a will?	☐ Yes	☐ No	☐ Yes	☐ No
Do you have a revocable living trust?	☐ Yes	☐ No	☐ Yes	☐ No
Have durable powers of attorney been created...				
for property?	☐ Yes	☐ No	☐ Yes	☐ No
for health care?	☐ Yes	☐ No	☐ Yes	☐ No
Have reportable gifts been made?	☐ Yes	☐ No	☐ Yes	☐ No
If yes, amount of unified credit used:	\$ _____		\$ _____	
Are pre-nuptial agreements in effect?	☐ Yes	☐ No	☐ Yes	☐ No
Are community property agreements in effect?	☐ Yes	☐ No	☐ Yes	☐ No

If your answer is yes to any of these questions, please describe the agreement fully or attach a copy of the agreement:

Current Desires for Distribution of Property

IF MARRIED, AT DEATH OF FIRST SPOUSE:

- ☐ All to surviving spouse
- ☐ Other desires

IF SINGLE, OR AT DEATH OF SURVIVING SPOUSE:

Gifts of Specific Property:

Recipient	Property

Gifts of Fixed Dollar Amounts:

Recipient	Amount
	\$
	\$
	\$
	\$

Gifts of Percentages of Estate Value:

Recipient	Percentage
	%
	%
	%
	%

Other Desires:

The Choice of a Personal Representative

The personal representative will be responsible for carrying out the terms of your will at the time of death. There are several items to take into consideration as you choose this individual.

AVAILABILITY

Be sure to select a personal representative who will be available when needed. Individuals who live a long distance from the estate, are extremely busy, or are of similar age to you may not be available when the time comes to serve.

QUALIFICATIONS

Is the individual whom you are considering qualified for the job through experience, business management, etc.?

INTERPERSONAL CONFLICTS

Many times, the individual appointed is a family member, or someone with a vested financial interest in the estate. The responsibilities as personal representative may place him in a position of potential conflict with other family members.

The distribution of household goods and personal effects, sale of the family home, continuation of the family business or farm, all are decisions which may be better made by a third party or someone without a vested interest.

A good case can be made for a bank to serve as personal representative. They are bonded, they are available, they

never move away or die. They do not have a vested financial interest in the estate, and they have experience in the probate process and management of estate assets.

If personal involvement in decisions is desired, a family member can serve with the bank, with powers limited to certain management decisions.

Remember, people are important. Choose your personal representative carefully. You should also name an alternate representative, if you choose not to use a bank or trust company.

Personal Representative _____

Address _____

Alternate Representative _____

Address _____

The Choice of a Trustee

All that we have said concerning the choice of a personal representative applies in the choice of a trustee. The avoidance of interpersonal conflict, competence, and

availability, all need to be taken into consideration.

Where a bank is chosen and you wish family representation, co-trusteeship is possible.

Where the beneficiaries are given the power to either change trustee or to veto the action of the trustee, this is usually sufficient representation and control for most estates.

Trustee _____

Address _____

Alternate Trustee _____

Address _____

The Choice of a Power of Attorney

The realities of life dictate that we must give consideration to who will be in a position to manage our property and make our health care decisions in case of mental or physical disability prior to death.

Relying on family members or friends to act under court appointed conservatorship may affect interpersonal relationships and cause unnecessary costs and restrictions. Better to grant this power to an individual whom you trust to

hold your personal care and well being as a priority. This power does not give the named individual the ability to declare your disability. However, it does grant specific authority to that individual to act on your behalf once disability has been determined.

Power for Property _____ **Address** _____

Alternate _____ **Address** _____

Health Care Power _____ **Address** _____

Alternate _____ **Address** _____

The Choice of a Guardian for Minors

One of the most important reasons for a young family to have an estate plan is to recommend a guardian for minor children. It's impossible to replace parents, but if death occurs, someone must fill that place.

Your choice is to select someone whose lifestyle is compatible to yours, who will care for your children in the kind of family surroundings which you desire, or to allow that person to be selected by the probate court.

If you have not already selected a guardian, you may find it one of the most difficult decisions you will make in the estate planning process.

The following guidelines may be of value as you make this choice:

1. Individuals who do not have children may not make good guardians. You learn to be parents by being parents of babies, one-year olds, five-year olds, etc. This experience is important.
2. Many people who have two children, want two children. For this reason, they might not wish to be guardians, creating a larger family.
3. The age of the children of the family you choose as guardians is important. They should be the same general age as your children, avoiding a two-family situation.

4. And most importantly, make certain that the lifestyle of the people you choose is compatible with your Christian lifestyle, so your children will have the opportunity to continue to grow spiritually.

When you have made your choice and are comfortable with these individuals, you should discuss with them their willingness to serve.

The nomination of an alternate guardian is also important, should the individual you have chosen be unable or unwilling to serve when called upon.

Guardian _____ **Address** _____

Alternate _____ **Address** _____

Guidelines for Completing the Planners Section

Estate planning is not a “do-it-yourself” project. Competent counsel, with expertise in state law, tax planning, and estate draftsmanship, is extremely important.

If you have legal counsel who is competent in the field of estate planning, you are fortunate. Your legal counsel will be the key to your estate planning team.

Other members of the team will be your accountant, life underwriter, investment adviser, and bank trust officer.

If you do not have competent legal counsel, another member of the estate planning team may be able to direct you to an individual who is experienced in this specialized field. Or you may find a good referral from

members of your faith community.

Many communities also have a lawyer referral service, which can suggest two or three attorneys who are competent in this field.

ATTORNEY _____ **Address** _____

LIFE UNDERWRITER _____ **Address** _____

ACCOUNTANT _____ **Address** _____

INVESTMENT ADVISER _____ **Address** _____

The Next Step

Now that you have gathered the information needed to review or create your estate plan, we would love to help. If you will forward this information to us, we will prepare a simple estate design—like a blueprint—for your consideration. There is no cost or obligation for this service.

Send your completed Guide to:

Mail To:

Email :

Phone: