

Discuss Estate Plan with Children



To ensure your children are able to honor your wishes if you become incapacitated and when you die, there are some details you must discuss, especially if one or more of your offspring are likely to be the ones responsible for executing your estate plans.

You can start cluing in your kids as soon as they reach adulthood. There is no need to go into the same level of detail with each child, but they should all know the same basics to avoid future rifts.

There are three items that you should share with your children:

Your estate plans - Let your children know whether you have wills, trusts, health and financial directives, and funeral arrangements, plus where to find the relevant documents. Also provide contact information for your attorney, financial planner, broker and accountant.

Your child's role - When naming your executor or giving someone power of attorney, it is best to ask your top candidate if he or she is up for the task. If you have already implemented estate plans naming a specific child to be in charge of your affairs, be sure to advise him/her of this plan and what it requires, as they may wish to relinquish this request. One of the toughest things to discuss with your children can be your views on life support and what you want documented in your health care proxy. Some children may have a hard time following through with their parent's wishes.

Where to find your assets - Make a list of your bank and investment accounts, real estate holdings, IRAs, 401(k)s, pensions and insurance policies (particularly life and long-term care). If you have a safe deposit box, name the bank and the address of its location, what is in the box and who has access. If you are not comfortable with giving your children all this information, you should convey this to your attorney and/or financial planner and advise your children what you have done.

If you become incapacitated, your children will need access to this information to assist you. A list will also make it easier for your children to settle your affairs after your death by expediting the dispensation of your assets and ensuring that stray accounts do not go missing and ultimately end up in your state's hands.