

When You Die, What Does a Will Do?

Article by: Stuart Simpson

I know it may sound simple, but there are things a Will does and certain things it cannot do. Most people don't have a will and don't even want to talk about it since it relates to death. A lot of people don't even have life insurance, either. I had a boss that was speaking to his accountant one time, "If I die-" started my boss, and his accountant said, "There is no "IF", its just "WHEN". We all will die and it would be nice to have a will to help your family decide what to do with your money and belongings.

Why do you need a will? Would you rather probate courts decide the fate of your children? The court decides where the kids are sent for foster care. That should be enough to scare you out of your shoes. The court will also decide what happens to your assets. Yes, all your stuff and money. So you may have money and a nice house, then its all gone and the kids are sent to the state home.

I know, it sounds harsh. So what can a will do for me?

First, a will can indicate where your assets and property go. You can also name a guardian for your children and their property. You can also name an executor to administer the will. This executor can be given powers and compensation for taking care of your estate.

But here's the tricky part – a will can't override anything with a named beneficiary. For example, your life insurance has a beneficiary that was established at the time you wrote the policy. Also, a will can't nullify the terms of a trust you've established.

So what should you do? Inventory your assets that will pass through the will. Like checking accounts, CD's, stocks, bonds, real estate, etc. These are called probate assets. Nonprobate assets would include things like your life insurance. These items have named beneficiaries.

Make a list of your beneficiaries and decide what you want them to have. If you have children from your current marriage, then the decision would probably be very easy – give the items to your spouse. If you have kids from a previous marriage, plan carefully and list them as well as their relationship so the executor will have no questions and will hopefully limit anyone contesting the will.

I hope this gave you some idea as to why a will is an important planning tool not for you, but for your family. You don't make a will for yourself, as you will be dead, you make one for your survivors. Stuart Simpson
<http://www.attorney-lawyer-information.com>