**ESTATE PLANNING**

Estate planning is something that everyone should consider. We should all plan for ourselves and for our successors. Planning for ourselves is one way to prepare for our future and ways to help us as we age. Planning for our successors is the proper way to make sure our estates are transferred to the people or organizations that we want to benefit from what we have accumulated during our lives.

**Property and asset transfers –** there are various ways to transfer properties or assets in a simple way:

* Joint ownership deed. Where two or more people can own real estate or accounts in joint tenancy with right of survivorship. If one person dies the survivor(s) own it.
* Beneficiary deed. The owner can name who is to receive the real property upon the owner’s death.
* Pay on death (POD) accounts. The named beneficiary owns the account on the owner’s death.
* Transfer on death (TOD) on investment accounts, to the named beneficiary(ies).
* Name beneficiaries on life insurance policies or retirement accounts, such as IRAs.
* Life estate deed. The owner signs a deed that gives the owner use and possession of the real estate for their lifetime. Upon their death it goes to the remainder interest holder (similar to a beneficiary deed).

**Wills** – are a good way to transfer your estate upon your demise even though it requires your estate to go through probate:

* Probate is the process where a court approves your will and appoints your personal representative (executor).
* Probate in Colorado is not a bad thing since we have the Uniform Probate Code, which means the process can be done without court hearings and very little court involvement.
* Wills can be very specific about who gets what and how it is transferred to the beneficiary.
* Wills can include a trust that can hold and manage funds for the beneficiary, such as a minor child or a family member with a disability.
* Wills can be used to give specific properties or assets to certain beneficiaries.
* If the person wants to benefit certain charities, that can be done with a will.

**Trusts –** are another way of conveying interests in one’s estate to the designated beneficiaries:

* A trust can be set up to manage a person's estate while they are still alive and then devise the balance to beneficiaries upon the person’s demise.
* A trust does not have to go through probate and often is the feature that us used to have a person do a trust rather than a will.
* However, one problem with a trust is that the owner forgets to place their assets in the name of the trust in order for the trust to control what happens to that asset.
* Careful estate planning requires that a “pour-over” will be created to place those forgotten assets into the trust. That will requires a probate estate to be opened.
* A special type of trust called a Supplemental (or Special) Needs Trust can be used for the benefit of a family member with a disability where they could lose their public benefits if they were to inherit their share outright.

**Powers of Attorney –** this document is an important hedge against incapacity:

* A power of attorney is a good way to ensure that if an incapacitating event prevents a person from managing their resources, it provides for a trusted person to act on behalf of the that person.
* If such an event occurs without having that document in place, it would be necessary to petition the court to appoint a conservator for that person.
* A Medical Power of Attorney is another cautionary planning document that designates an agent to act on behalf of the person in order to give informed consent for medical treatment or comfort care if it is a potentially terminal condition. Otherwise, a guardianship would be required.

**Disposition of Last Remains-** Under Colorado law, a person can direct what is done with their body upon demise.

* If a person puts in writing what they want done with their body upon their demise, it carries weight of law requiring their wishes to be carried out.
* The person can also direct any kind of services they want and where the remains are to be placed.
* These requests should be carried out as long as they are reasonable and within the means of their estate to do so.