

A composite image of Earth and the Moon in space. The Earth is shown as a large, curved horizon on the left side, with a bright light source creating a lens flare effect. The Moon is visible in the upper right corner. The background is a dark, star-filled space.

INTRODUCTION INTO ESTATE PLANNING

Estate Planning is a way of organizing your personal and financial affairs to take care of the possibility of mental incapacity or death.

There are a number of different estate plans:

1. Will-based estate planning:

This is an estate plan that does not include a living trust to hold title of the assets. This is where an individual states their wishes regarding the distribution of their assets upon their passing.

2. Trust-based Estate Planning:

This is an estate plan that includes a living trust that will hold the title to the assets throughout the living years. This tends to ease the hassle of transferring these assets upon one's death or incapacity.

THE WILL-BASED ESTATE PLANNING CAN BE FURTHER DIVIDED INTO THE FOLLOWING:

Last will and testament:

This is the most common form of will as this contains a detailed list of instruction regarding the distribution of your property upon your death.

Living Will:

This is a written instruction to your Physician about your wishes to receive life-sustaining procedures if you diagnosed with a terminal or end-stage condition. This will also gives your family members guidance regarding the actions that they should take should you become terminally ill.

Advance Medical Directive:

This is also known as a medical power of attorney which allows you to assign a health care agent to make medical decision for you if you are unable to do so due to medical reasons.

Financial Power of Attorney:

This form of a will allows you to assign an individual to manage your assets that titled in your name.

Financial powers of Attorney come in two forms:

1. A durable power of Attorney – Comes into effect upon signing of it.
2. A springing power of Attorney – Comes into effect once you are declared mentally incapacitated.

CONCLUSION:

As you can see from the above having a will can really assist one in outlining how they would like their finances should be managed upon one's death or incapacity. Having a Will doesn't necessarily stop your family from approaching the court to contest the will but it does make things a lot easier when it comes to answering a lot of questions that your relatives might have.

A high-quality space photograph showing a large portion of the Earth's horizon on the left, with city lights visible at night. The Moon is in the upper right corner. The background is a deep blue-black space filled with stars.

THANK YOU

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