

Take control of your estate

For some, estate planning is difficult to think about, let alone engage in. While we understand the vital importance of getting our finances and legal affairs in order for our heirs, few of us make the time. It's easy to put off — and besides, the term “estate planning” can conjure up notions of greater wealth than we feel we possess.

But all of us will have an estate to pass on, and want our cherished beneficiaries — be they family or a favourite charity — to receive their inheritance according to our own intentions.

Estate planning is a process

Estate planning is more than simply preparing a Will. It begins with reviewing your current situation by listing both assets and liabilities. Assets include such things as your residence, investments and life insurance. Examples of liabilities are your mortgage, taxes due at death and funeral expenses.

You should also review your Will and powers of attorney (a Mandate in Quebec), both of which need to be current and easy to understand for your wishes to be clear and carried out properly. A Will can become outdated over time, so check at least every three years that it conforms to your current situation or, after a major family event such as marriage or birth of a child.

If you don't have a power of attorney, consider having one prepared. If you become mentally or physically incapacitated, your Will does not apply, and only a pre-arranged power of attorney can guarantee someone you trust will be able to act on your behalf in overseeing your affairs.

The next step is to determine your goals and objectives for your estate. In some cases, tax planning will be a priority. In others, the timing of income to beneficiaries is essential. It's helpful to walk through the possibilities with expert advice, develop priorities, and identify any gaps between your current situation and your ultimate goals.

Filling the gaps

For many, life insurance is a useful way to fill any gaps. Younger individuals without significant assets can use life insurance to create an estate that will provide their beneficiaries with security. Older individuals who have already accumulated other assets can use life insurance to help preserve the value of their estate. Often, taking the first step to prepare an estate plan is the most difficult. But once you get started, you'll find it's not as hard as you expected.

A ScotiaMcLeod advisor has the knowledge, resources and teams of experts to guide you through the estate planning process, and give you the comfort of knowing that you have prepared for the future.

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