

# WHEN TO UPDATE YOUR Estate Plan



Creating an estate plan isn't a one-time process, but is something that evolves as your life does. That's why wealth.com allows you to update your estate plan whenever, and as often, as you need to quickly and easily.

You shouldn't have to wait for years to review and revisit your plan to see what may be outdated. It should be something that you're intimately familiar with and is always up-to-date, no matter the reason.

This document outlines some specific reasons you may want to update your estate plan.

WHY YOU SHOULD UPDATE YOUR ESTATE PLAN	HOW TO WORK WITH YOUR FINANCIAL ADVISOR TO UPDATE YOUR ESTATE PLAN
<p>Your estate plan is a snapshot in time of where you want your assets to go and whom you want to carry out your wishes.</p> <p>It's likely that there will be changes in your life: Positive ones like marriage, birth and financial windfalls but potentially not-so-positive ones like death and financial difficulties.</p> <p>Your estate plan should reflect those changes in your life to ensure your wishes are carried out and also to protect your loved ones from unnecessary surprises or legal costs.</p>	<ul style="list-style-type: none"><li>• Regular reviews: Incorporate estate planning into regular reviews with your advisor.</li><li>• Retain documents: Retaining any and all documents related to your finances, real estate deeds or anything that's related to asset ownership is critical to ensuring your estate plan is carried out efficiently.</li></ul> <p>Proactive communication: Be proactive with your advisor and update them when you have a major, or even minor, life change that you think may affect your estate plan. It's better to be safe than sorry.</p>

# 10 Reasons

YOU MAY WANT TO UPDATE YOUR ESTATE PLAN



1		In most states, if you die, your spouse will inherit your money and possessions, either before or in combination with any children you have. But specifically naming your spouse in your estate plan can ensure your spouse will get the specific assets you want them to when you die. This may be especially true if you've been previously married and/or have children from a prior relationship.
You get married		
2		As a married couple, if you've created joint assets or property, you'll want to update your plan if you decide to separate. Also note that if you and your spouse have a separate will or trust, you'll likely want to remove them as a beneficiary and update the information on any joint property that you own.
You get divorced		It's also important to know that if you are planning a trial separation period—or if your state requires one before your divorce is final—you shouldn't wait to make changes to your estate plan. If you were to die while separated, your soon-to-be ex-spouse would still be your primary beneficiary.
3		Update your estate plan to reflect the money and property that you want your child or children to inherit. You should also rewrite it to name a guardian who will be responsible for your children until they turn 18.
You have or adopt a child		Adopted children are treated the same as biological children in intestate succession laws but you'll still want to update your will to include them. Foster children and stepchildren whom you don't formally adopt as your own don't have any legal rights to your estate unless you specifically name them in your will or trust.

4		<p>If anyone named anywhere in your estate plan dies, you'll want to update it. Spouses are most often named as a single or major beneficiary, so it's important to update your beneficiaries if your spouse dies before you do.</p> <p>Similarly, if a child or other named beneficiary passes, you'll want to update your estate plan to redistribute assets to other beneficiaries. If anyone else named in your plan, like an executor or named guardian, dies, you should update your estate plan to name somebody new.</p>
5		<p>Ruined relationships could affect your estate planning in several ways. If there's a big family fight and you sever ties with a sibling, you might want to specifically exclude them as a beneficiary.</p> <p>Another possible reason for a change is if you've named someone as your executor or trustee and you no longer feel comfortable entrusting them with that responsibility. You'll want to identify and document a new person for that role ASAP.</p>
6		<p>Whether you've been given a generous inheritance, sold a business or hit it big on the stock market, you need to update your estate plan to include your newfound wealth or assets.</p> <p>Similarly, any financial hardships also necessitate an update because the distributions you've set up no longer make sense. For example, if you've earmarked a specific amount be given to charity after you die, that amount may now be the bulk of your estate and there won't be enough left over for your beneficiaries</p>
7		<p>The laws that govern wills, trusts, and estate taxes vary by state, as do laws covering inheritance, real estate, and marital property. It's important to make sure your estate plan is optimized for the state where you legally reside to ensure that you avoid potentially costly legal battles and to ensure that your wishes are still being met.</p> <p>Keep in mind, this is only if you are establishing a new residence. An extended summer vacation likely doesn't necessitate updating your estate plan.</p>

The death of a beneficiary, executor or named guardian

You've had a falling out with someone named in your estate plan

Your wealth increases or decreases significantly

Moving to a new state

8		<p>Owning a business can present its own intricacies when it comes to estate planning, but that's why it's critical to update your plan. It's important to create a succession plan for any business assets, including equity and ownership in the company.</p> <p>Updating your estate plan may require coordination with your company, so it's important to explore with an estate attorney how to approach those conversations and what needs to be discussed with the other business owners.</p>
	Starting a business	
9		<p>Children reaching adulthood doesn't necessarily require updating your plan because you may have already set up trusts to distribute assets in a certain way even after they've turned 18. That said, the need for a trust may recede and you may want to consider tax planning strategies with that adult child.</p> <p>But there are other considerations to consider, like naming a child over 18 as a potential guardian for any younger children you have. If you do decide those, that may necessitate your estate plan to ensure that they and your other children are set up financially.</p>
	A child turning 18	
10		<p>Outside of these reasons, you just may change your mind about certain things. For example, you may want to name a new family member or close friend or a new charity as beneficiaries.</p> <p>Perhaps you just want to update the percentage of distributions going to each beneficiary, or you want to update the terms of a revocable trust to change when your adult children can have access to the assets held in it.</p> <p>Similarly, your healthcare wishes or how you want Power of Attorney handled if you're incapacitated may change. These are all reasons to review and update your estate plan to reflect these changes.</p>
	You change your definition of what you want your legacy to be	

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