

# IS AN ESTATE PLAN FOR YOU?

A common belief is that estate planning is for the rich and famous. This is especially true when thinking of living trusts. That may be the reason why 55 percent of Americans do not have an estate plan.

Estate planning is the process of determining the best way for you and your family to manage assets and income during your lifetime, how to hold title to property for maximum asset protection, how to handle medical decisions in the event of future incapacity, and the best way to disburse assets at death.

Each person, household, and family is unique, and therefore each estate plan must be tailored to represent you and your family's needs and wishes. When creating an estate plan you will need to consider one or more of the following documents.

**Powers of Attorney:** There are various powers of attorney. A financial power of attorney allows you to designate a spouse, trusted family member, or friend to manage your financial affairs when you are unavailable or incapacitated. A health care power of attorney may be delegated to someone you appoint to make emergency medical decisions on your behalf.

**Wills:** A last will and testament provides direction to the probate court and to your personal representative as to how you wish your assets to be distributed at your death. A will must be presented to a probate court to begin the probate process. Probate need not be a negative or overly expensive process, particularly if you have a simple nontaxable estate and do not anticipate any disputes. If this is your situation, a simple will may be the least expensive

and best plan for you. If you are a member or regular attendee of North Heights, and if you wish to include your church or ministry in your charitable planning, a simple will can be prepared at no cost to you.

**Trusts:** A trust is a contract between you as a trustor and either you, a family member, trusted friend, or a trust company as trustee. The trustee manages your assets during your lifetime and distributes the trust assets to your named beneficiaries at your death. Although it is commonly known that a benefit of a trust is that of avoiding probate, living trusts are useful under other circumstances as well. For example, a living trust offers the flexibility to deal with issues of incapacity or incompetence of the one who set up the trust. Living trusts offer tax advantages and the ability to protect an estate of significant size from estate tax.

Next month we will discuss the benefits, and some of the pitfalls, of "Transfers by Contract."

A service of the Planned Giving Services department is discussing estate planning opportunities and suggestions you will want to review when meeting with your legal counsel.

Remember: Procrastination is not a problem—it is the problem.

This is a complimentary service to members and regular attendees of North Heights Lutheran Church. The information we offer is for general information purposes only. For legal advice, please consult your legal counsel. If you do not have an attorney, we can assist you in locating appropriate legal counsel.

## PLANNED GIVING SERVICES

If you would like to know more about a living will or the benefits of a will or trust to you, your family, and your church, contact your Planned Giving Services Department at 651-797-7927 or [Orlando.Logelin@nhlc.org](mailto:Orlando.Logelin@nhlc.org).

You can also look us up at [NHLC.org/Giving](http://NHLC.org/Giving) and click "Planned Giving Services." This is a free service to members and regular attendees of North Heights.

If you wish to transfer stock, contact 651-797-7927 or [Orlando.Logelin@nhlc.org](mailto:Orlando.Logelin@nhlc.org).



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