

CHRISTIAN MONEY \$ENSE

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Estate Planning 201- A Will that Works

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I could have entitled this article “Everybody Needs a Will.” This is a true statement, but it may not address the real issue regarding Wills. Larry Burkett’s ministry (Crown Ministries) reports that nearly 80% of people do not have a current Will¹. Perhaps we understand the importance of a Will, but neglect making one because we don’t know what it should say. What do you need to know so you can have a Will that works?

What Does A Will Do?

Your Will is a legal document that instructs your Executor (also called a Personal Representative) and the Probate Court how to distribute your property to others after you die. If you do not draw up a Will, then you are considered to have died *intestate*, and the Probate Court distributes your property according to standard formulas which probably will not match your giving wishes (especially regarding children).

With a Will you choose:

- The *executor* (the person who implements your Will)
- The *guardians* (of any minor children)
- The *beneficiaries* (people who receive items from your Will)
- The *distribution* to people or ministries (specific items, amounts, or percents)
- The *trusts* (for minor children or to protect a spouse while saving estate taxes)

What Should My Will Say?

A Will is a public document. Use it to your advantage to cultivate a Christian legacy.

- State specifically how you want your estate distributed. Leave percentages to individuals or ministries, because the value of your estate will

fluctuate before you die. You can also leave specific assets (heirlooms) to individuals.

- Have your attorney include a Christian preamble in your Will.
- Leave a Christian legacy by giving to the Lord’s work. You won’t be neglecting your family. You will be honoring God.

Does Everything Pass Through My Will?

Some things are not distributed through your Will. Your retirement plan, life insurance policies, and annuities pass to your heirs through contract law. Contact the administrator of your plan and ask for the “beneficiary designation” form to update your wishes.

What About a Power of Attorney (POA)?

A POA is not the same thing as a Will, but it is equally important. A Durable Power of Attorney gives another person the ability to legally sign for you when you are incapacitated. A POA terminates when you die. A Will only takes effect when you die. Spouses should have a POA for each other. Seniors should also create POA’s (with health care proxy) with a trusted friend in case your spouse is not living at a later date.

Remember the Big Picture

For the Christian, death is not awful. It is glorious (2 Cor 5:8). A Will can help your family and communicate your Christian legacy. Now that you know how to make a Will that works, contact your attorney to create a Will, or update it with a codicil (amendment).

Next week in the third of four articles, we will discuss a little-known fact: most of your retirement plan is going to go to Uncle Sam (not your family) when you die.

BBC Foundation has been ministering to churches and individuals regarding biblical stewardship since 1992. Send your questions on finances and stewardship to: BBC Foundation, 538 Venard Rd., Clarks Summit, PA 18411. Phone: (800) 451-8668, website: bbcfoundation.org; e-mail: info@bbcfoundation.org