WILLS, TRUSTS, & ESTATE PLANNING: PROTECT YOURSELF

MONDAY, APRIL 27 @ 6:30-7:30PM
SBA has links to all of the current COVID-19 funding options for small businesses through CARES Act. [https://www.sba.gov/funding-programs/loans/coronavirus-relief-options](https://www.sba.gov/funding-programs/loans/coronavirus-relief-options)

WHO WE ARE

The Coalition is a diverse group of community stakeholders who are dedicated to increasing family self-sufficiency and prosperity through financial education and asset-building.

MISSION

Promoting equitable opportunities for financial health to build wealth and economic prosperity.

MONEYSMARTMONTH

APRIL 2020

Public awareness campaign designed to help consumers better manage their personal finances. This is achieved through the collaboration and coordinated effort of hundreds of organizations across the metro area, including businesses, financial institutions, schools, libraries, not-for-profits, etc.
MISSION

Legal Services of Eastern Missouri advances justice through legal representation, education and supportive services. We partner with the community to improve lives, promote fairness and create opportunities for those in need.
What is “Estate Planning”? What are the Benefits?

**Estate Planning:** Process of designing a legal and practical mechanism to implement one’s wishes and dispose of one’s property after death.
Estate Planning Glossary

- **Beneficiary**: Person designated to receive payment after one’s death according to one’s will or trust, or form on insurance policy or financial account.

- **Estate**: All property rights and interests owned by one or by a trust from which one benefits or which one controls in a significant way.

- **Guardian**: Person or persons appointed by the court to take responsibility for the care and property of another person (usually a minor or one adjudged to be incompetent).

- **Intestate**: Legal status of the estate of a person who dies without a will; in this situation the state laws of intestacy (or “descent and distribution”) determine the distribution of his or her probate property.

- **Power of Attorney**: A document by which you appoint a person as your agent. When you appoint an agent, the agent can act on your behalf.

- **Probate Court**: Part of the state court system responsible for probating wills and administering estates.

- **Trust**: Agreement under which one person (the grantor) formally transfers the title to property to another party (the trustee), who then manages it exclusively for the benefit of whomever is named in the trust agreement (the beneficiaries).

- **Will**: Simple statement directing how property in one’s name is to be distributed after one’s death.
Where to Start? Non-Probate Transfers.

Inventory Assets and Debts. Make a list of important financial documents and keep them in a safe place. Consider pre-arranging burial and funeral arrangements.

**PAYABLE-ON-DEATH (POD):** Bank account, such as a certificate of deposit, in which one or more beneficiaries are designated to receive the account funds upon one’s death, outside of probate.

**TRANSFER-ON-DEATH (TOD):** Similar to payable-on-death; a brokerage or mutual fund account in which one or more beneficiaries are named to receive the account funds upon one’s death outside of probate.

Examples: Cars (DMV), Bank Accounts, Insurance, and Retirement Plans.
Non-Probate Transfers Real Property


Beneficiary Deed.
- Allows Owner(s) to Name Person(s)/Organization (Beneficiary) To Receive Property When They Die
- Signed by Grantor – Notarized & Recorded w/ Recorder of Deeds
- Does Not Take Effect Until Grantor’s Death
- Only Effective to Real Estate

Must be signed, notarized, and recorded with the Recorder of Deeds to be effective.

Lawyer Assistance Recommended.
Non-Probate Transfers - Trusts

**Trust.** Written legal agreement between individual creating the trust and a trustee - the person or institution named to manage the trust assets. The trustee holds legal title to the assets for the benefit of one or more trust beneficiaries. Control of assets dictated by language of the trust.
Last Will & Testament

**Will.** Legal paper that states who receives your assets when you die. It controls the distribution of assets and covers all assets that are not transferred by other means.

**Benefits.** Courts must follow your wishes for your estate. Avoid the State’s default settings (intestate) for distribution of assets. Show your intent for custody of minor children.

**Requirements.** Maker must be 18, must be in writing and signed, maker must be of sound mind, must be witnessed by two people who do not receive property under will and will sign their names in presence of maker.
Other Tools – Emergency Planning

**Power of Attorney.** Can be general or limited (ex: health care). A document by which you appoint a person to act as your agent who can act on your behalf. Effective when you can no longer make decisions for yourself (incapacitation). POA ends upon death (except sepulcher), and may be revoked at any time.

**POA Powers.** Only power granted by document. Power to revoke a will or living will cannot be given.

**Requirements.** Maker must be 18, must be in writing and signed, maker must be of sound mind, must be witnessed by two people who do not receive property under will and will sign their names in presence of maker.
Other Tools – Emergency Planning

**Durable Power of Attorney for Health Care.** Similar to General POA, except gives agent power over medical decisions instead of financial decisions.

**Benefits.** Helps give direction to healthcare provider. Allows you to designate a decision maker for healthcare when you are unable.

**Health Care Directive / Living Will.** Allows you to state your wishes regarding life-prolonging procedures if you cannot communicate your wishes and there is no reasonable expectations that you will recover. It gives more specific instructions than a Durable Power of Attorney for Health Care.
Resources

Legal Services of Eastern Missouri – Income and service area restrictions apply. 314.534.4200 or 1.800.444.0514. Also apply online at www.LSEM.org.

St. Louis City Beneficiary Deed Assistance - Though Neighborhood Vacancy Initiative Hotline – 314.256.8778. Income and service area restrictions apply.

Bar Association Of Metropolitan St. Louis. Lawyer search at www.BAMSL.org. This is a private attorney referral service.
Additional COVID-19 updates available online at:
https://lsem.org/covid-19-updates/

314-256-8778
800-444-0514
www.lsem.org