



Helping You Turn  
Over a New  
Retirement Leaf



**WELCOME**

# Empower Estate Planning

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# What is estate planning?

- Making sure your assets go to whom you want on your timeline
- Providing your written intention regarding guardianship of minors or incapacitated children
- Naming a representative who can speak for you and your wishes if you are unable to do so
- Determining if a simple will and/or trust is enough
- Establishing advance medical directives (e.g., power of attorney, living will, or healthcare proxy)
- Helping protect and minimize taxes on transferred assets

*Remember, estate planning is a lifelong process. It is important to review and update your plan as life circumstances change.*



# Common misconceptions of estate planning

“

*Estate planning is only for the wealthy.*

*Estate planning is only necessary when you're old.*

*Estate planning is too complicated, expensive, and time consuming.*

*My possessions will automatically transfer to my next of kin, even without a will.*

”

# ■ Don't my assets automatically pass to next of kin?



## **Legally married**

Married spouses typically have the most benefits and rights, but there can still be challenges.



## **Unmarried**

Civil unions and domestic partnerships may not have the same privileges as legal marriages.



## **Inheritance laws**

These laws typically follow lineage lines.



# Who doesn't need an estate plan?

Minors without assets



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# Benefits of estate planning



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## Estate planning:

- Makes your wishes known and executable.
- Provides peace of mind and financial protection for your loved ones.
- Helps ensure your money goes where you want it to.
- Can help prevent conflict among your surviving family members.



# ■ Don't my assets automatically pass to next of kin?



**Who typically inherits your assets?**



**Which assets should they inherit?**



**When and how should they inherit the assets?**

# What makes up your estate?



## **Tangible assets**

- House
- Automobiles
- Real estate
- Jewelry
- Personal possessions



## **Intangible assets**

- Bank accounts
- Annuities
- Stocks
- Bonds
- Life insurance
- Retirement plans
- Business/Partnership interests
- Royalties



# Understanding probate



## Probate process

Determines validity of the will

Appoints an executor or administrator

Notifies creditors and pays valid claims

Distributes probate assets

## Non-probate

Assets passing outside probate

Property passing by contract or beneficiary (other than to the estate)

- Life insurance and annuities
- Qualified plans and IRAs
- Payable-on-death or transfer-on-death accounts

Property owned jointly with “right of survivorship”

Trusts





# Estate documents

Medical and financial directives

Wills

Trusts

Revocable living trusts

Other trusts





# Medical and financial directives

## **Advanced healthcare directive, which consists of:**

- Living will.
- Healthcare power of attorney.

## **Durable financial power of attorney**

## **HIPAA Privacy Authorization form**





# Will

## **A will may help you:**

- Protect assets for your beneficiaries.
- Simplify asset distribution.
- Designate guardianship.
- Avoid lengthy probate.
- Identify an executor for your estate.
- Allocate funds for funeral expenses.
- Minimize estate taxes.





# Trust

## **A trust may help you:**

- Designate a money manager for certain beneficiaries.
- Avoid court costs for court-appointed trustees.
- Maintain privacy of asset distribution.
- Ensure that assets go to the people you intend.
- Minimize estate taxes.



# Revocable living trust

## A revocable living trust may help with the following:

- Asset management
- Avoiding probate
- Privacy

## Estate tax considerations:

- Because assets held in a revocable living trust are still part of your taxable estate, there is no direct estate tax savings from a living trust.
- However, with proper drafting by your attorney, a living trust can offer many of the same benefits as a will, including savings on estate taxes.

## Living trust cons:

- Higher up-front cost than a will
- No immediate tax benefits
- No asset shelter for Medicaid purposes

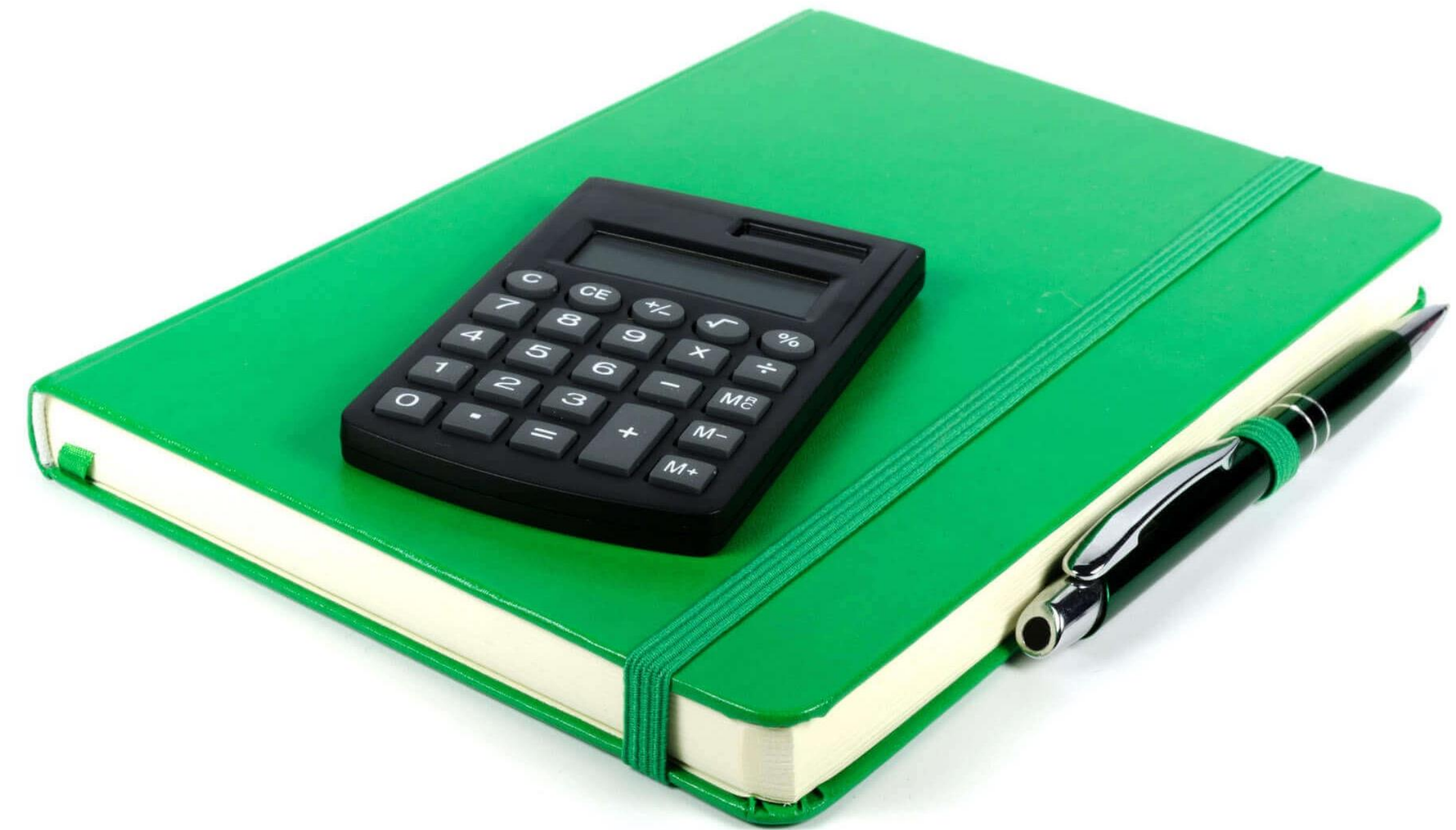




# Irrevocable living trust

**In general, an irrevocable living trust may help with the following:**

- Asset protection
- Tax benefits
- Access to government benefits





# Different types of trusts

**There are many types of trusts, including:**

- Asset protection trusts.
- Special needs trusts.
- Pet trusts.
- Life insurance trusts.
- Charitable remainder trusts.
- Funeral trusts.
- And more.





# Beneficiary designations

Life insurance

Retirement plans





# Naming your trusted representative

## Consider your representative's:

- Experience.
- Skills.
- Desire to learn.
- Familial relationships.





# ■ Estate planning: Next steps

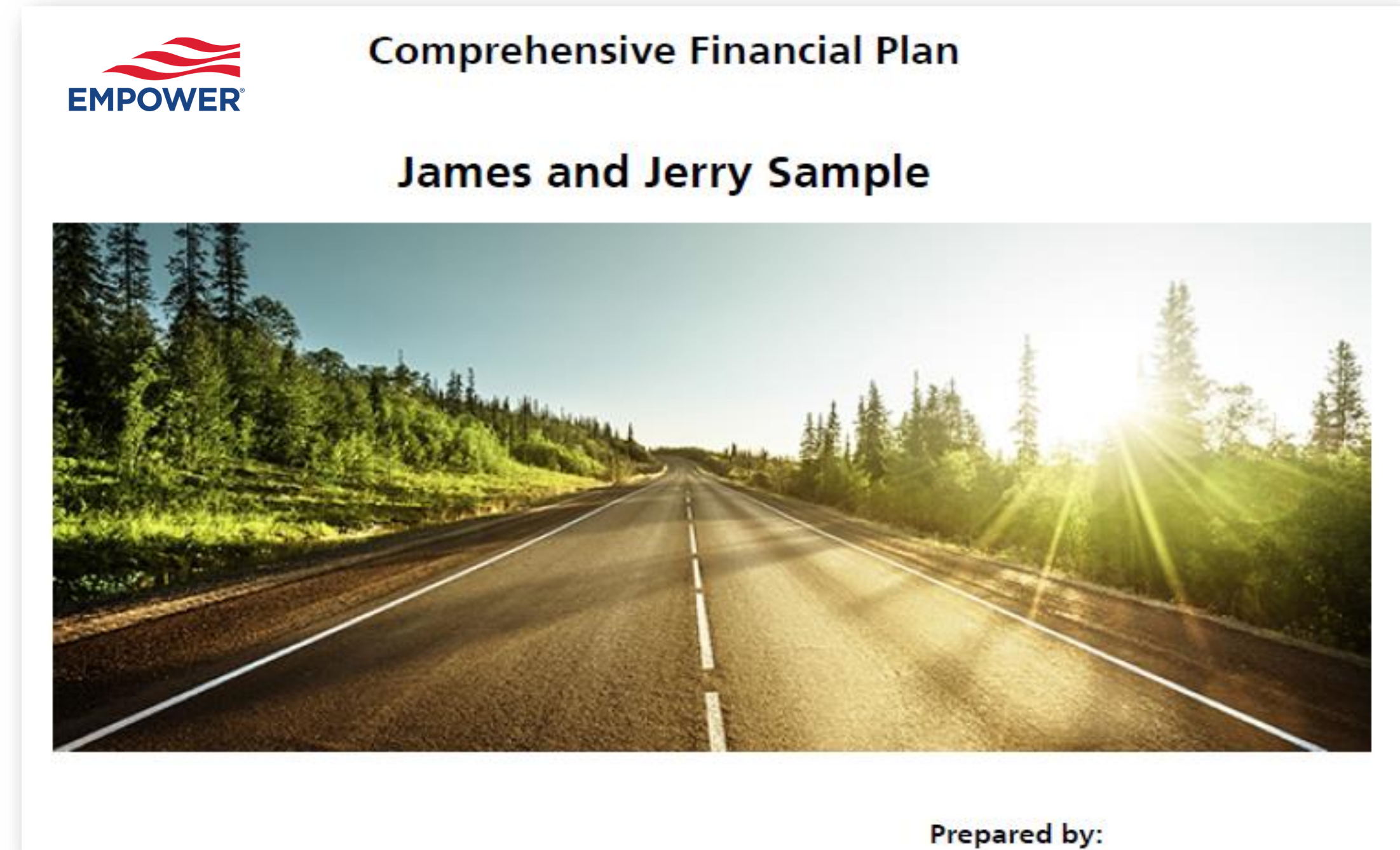
- **Discuss** your wishes.
- **Check/update** your beneficiary designations.
- **Find** an estate planning lawyer/attorney.
- **Draft** estate planning documents.
- **Ensure** beneficiaries have documents and contact information.
- **Review** your estate planning documents periodically.
- **Update** your documents and designations.
- **Reach out** for guidance, if needed.





# Comprehensive Financial Plan

- Net worth statement
- Budgeting
- College planning
- Insurance coverage
- Roth conversion planning
- Taxable vs. tax-deferred planning
- Income planning
- Social Security planning
- Required minimum distribution planning
- Estate planning



- Estimated **5 hours** of total consultation time
- An average of **3 conversations** take place
- **Comprehensive report** follows engagement
- Includes **spouse/partner**



# Thanks for attending

Get comprehensive financial planning at an affordable price.

Get the help you want at a price we think you'll like.

Outside planners can charge a \$1,000–\$3,000 flat, per-financial-plan fee.<sup>1</sup>

## With Empower, you'll pay:

- Just \$499 for a one-time plan.
- **Or** \$299 plus \$29 per month for ongoing access to a financial planner with no minimum balance required.

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<sup>1</sup> NerdWallet, "How Much Does a Financial Advisor Cost," August 3, 2020.

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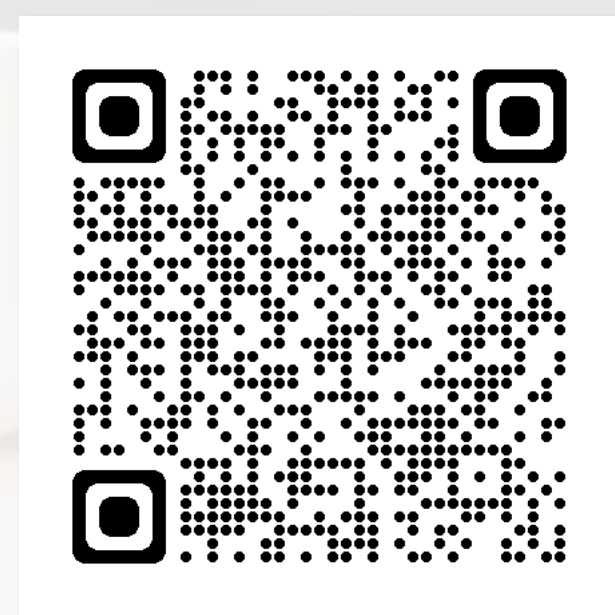
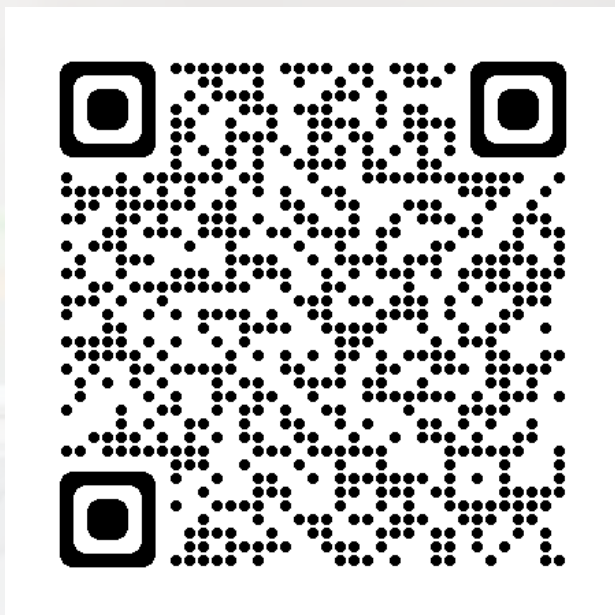




# Schedule a complimentary consultation

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Spanish consultation:  
[casildagorozpespanish.empowermytime.com](https://casildagorozpespanish.empowermytime.com)





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