

Test Your Knowledge: An Estate Planning Quiz

Written by Lucky
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How much do you know about estate plans? And how do you know when you need one? Many people have a vague feeling that they should execute some kind of estate plan eventually, but think (hope) that they really don't need one right now.

On our blog we spend a lot of time telling people that they do need an estate plan, and they probably need one right now—or yesterday!—and we hope we do a good job of explaining why you need one. But maybe it's time for you to decide when the time is right. This quiz will help you determine just when (and if) you need to do some estate planning.

Do you own a house?

Owning your own home means you have at least one significant asset, which affects your need for planning in a number of ways: First, a piece of property cannot be split between people, it will have to be sold (which can take months or even years) and the proceeds divided among your heirs—often at a loss, especially if the house was undervalued to sell quickly. Second, many people who feel they have “small estates and won't have to worry about Probate or the estate tax” are surprised when they find that the value of their home does indeed push their estate over the line. Third, if you are married you may need to make provisions for your spouse if you would like them to be able to continue to live in your home.

Do you have minor children?

If you have minor children and have not made provisions for them in case of your death or incapacity the government will be in charge of their futures. This could mean your children are put in the care of foster parents or become wards of the state. That is not a chance you want to take.

Do you want your heirs to have to wait months (or years) before receiving an inheritance that is only a percentage of what you left them?

Probate is a long and expensive process. Without a plan in place your assets will have to be probated before they can be distributed. Not only does this often take years, but the probate fees (which can be considerable) are taken out of your estate—leaving less for your heirs.

Do you know how you want to spend your final moments?

Most people don't die quickly and quietly at the ripe old age of 98. Most people fall victim to accidents, illness or dementia—unable to make their own health care decisions. Without a healthcare directive or living will that specifically outlines your wishes and instructions for your

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health care and nominating an agent to carry out those wishes, you could end up in a Terri Schiavo situation—costing your loved ones both financially and emotionally.

There is much that goes into your estate plan decision-making; this is only a partial quiz, and not a planning tool. Please [contact](#) the Law Office of Anand “Lucky” Jesrani for more information and an in depth consultation to determine what kind of planning will be best for you and your family.