

# ESTATE PLANNING - INTRODUCTION

---

---

## Everyone Should Do Some Estate Planning

You devote most of your life to providing for your family - to give them a good home, a good education, a secure future. But have you provided for their welfare in the event of your death? Without an estate plan all your efforts and planning may be wasted.

Too many people die without a plan or with a plan that is outdated. Without a proper plan, those who mean the most to you — and who have depended on you — may suffer immeasurably. A great tragedy is the loss sustained by those most dependent on you if you fail to plan for their future.

Like many, you may consider estate planning the province of the select few or think the time is not right to plan for events that are years in the future. You are wrong! Most people need to plan now and can benefit substantially by creating a financial and estate plan.

Estate planning is nothing more than understanding what your resources are and planning the distribution and use of those resources to meet the desires and needs of you and your family in the event of your death. It does not always need to be complicated or expensive.

When should you prepare a plan? Right away. No matter how large or small your estate you should not minimize the importance of planning.

How to get ready. You can save your own and your attorney's time by organizing needed information before you meet with the attorney. A checklist should include:

- Old wills and trusts (if any).
- Inventory of assets showing the current value and how title is held.
- A list of debts, if they are secured (like a mortgage on the house or a lien on the car) and who owes the debt.
- Life insurance data — company, face amounts, policy loans, beneficiaries, owners, insured individual.
- Trusts and annuities — values and beneficiaries.
- Retirement benefits, IRA's, etc.
- Taxable gifts made after 1976 — amounts and to whom.
- List of key advisors and who you would appoint as guardians for minor children, alternate trustees and executors.

Estate planning should start with a basic understanding of how the laws of Oklahoma govern estates and how the federal tax laws effect your estate. These laws will impact on the advice your lawyer will give you on how to best structure your affairs to provide for the needs of your beneficiaries and to reduce or eliminate the taxes your estate is subject to. You should have a general understanding of how property passes on someone's death and how it fits within a plan. Some of the basic ways property passes on death are listed below. Each will be covered in greater depth later:

- Wills – instructions to the court on how you wish your estate to be disposed.

- ❑ Joint Tenancy – with right of survivorship, will pass property outside of probate with the survivor automatically becoming the sole owner of the property.
- ❑ Trusts – a trustee handles the disposition of assets inside the trust and can avoid probate if all of someone’s assets are in the trust when they die.
- ❑ Beneficiary Designation – life insurance policies and most retirement plans pass assets through a designation of one or more beneficiaries rather than through probate. Most of the time, these are still a part of the estate for tax purposes.
- ❑ Annuities and Life Estates – some annuities may terminate on the death of the recipient and some pass to another annuitant. A life estate terminates on death with the remainderman receiving the balance of the property.
- ❑ Community Property – property acquired by a husband and wife while residing in a community property state is subject to the community property laws of that state which generally provide that each spouse owns 1/2 of the asset from the date it was acquired. The first decedent spouse can only pass his or her 1/2 interest in that property in an estate plan.

Over the next several months we will be providing you with additional information which discusses wills, trusts, probate and other estate planning issues. We hope you find this useful. If you would prefer not receiving these newsletters, simply write your name and check the box on the bottom of this page and mail or fax it back to me.

For more information, please contact:

**Mark A. Robertson, Esq.**  
Robertson & Williams  
9658 N. May Avenue, Suite 200  
Oklahoma City, Oklahoma 73120-2718  
Phone: 405-848-1944  
Fax: 405-843-6707  
e-mail: [mark@robertsonwilliams.com](mailto:mark@robertsonwilliams.com)