

Thought of the Month

Estate Planning – Essential for everyone



When you think of estate planning what comes to mind? For most of us, it immediately conjures up thoughts of death. Who wants to think about death when you have a whole life to live? Understandably, we often push estate planning to one side and focus on more pressing concerns such as looking after our family, paying our bills and generally living life.

If you change your view slightly, however, it's easy to see estate planning in a more positive light. If you have loved ones that depend on you and if you want to ensure that they are properly cared for, estate planning should be important to you.

Estate planning basically ensures that the wealth you have worked hard to build is protected. It reduces the stress on your loved ones or beneficiaries by ensuring that when you pass away or become incapacitated, your wealth is transferred to them smoothly, tax effectively and according to your wishes.

Essential for everyone

The word estate can bring to mind images of vast properties and millions of dollars, but you don't have to be wealthy to have an estate plan. You also don't have to wait till you're older to get your estate affairs in order.

Estate planning is essential for everyone, particularly if you:

- Are the parent of minor children
- Have family members with special needs
- Have recently bought or sold major assets
- Have a family trust, self-managed super fund or business, and
- Care about your health care treatment.

Why estate planning is important

Estate planning is vital if you want to:

- Avoid beneficiaries fighting over who gets what.
- Minimise tax
- Protect your beneficiaries and your assets, and
- Avoid probate –determining if your Will is valid and enforceable

More than just a Will

Estate planning is also more than just having a Will. If you already have a Will, then you're off to a good start. Most people, however, make the mistake of believing their Will covers all of their assets.

In reality, jointly held assets, trust assets and superannuation are excluded from Wills and should be considered as part of a comprehensive estate plan.

A comprehensive estate plan should include:

- Having a valid and up-to-date Will
- Nominating your beneficiaries for your super
- Listing beneficiaries for your insurance policies
- Naming guardians for minor children
- Setting up testamentary trusts to reduce tax liabilities for your beneficiaries, and
- Choosing a power of attorney to look after your financial and personal affairs if you become incapacitated.

Get your affairs in order

The best time to get your estate affairs in order is now. We can help you set up an estate plan, ensuring you have a valid Will and enough insurance. We can also help you find the most financially and tax effective way to distribute your assets after you pass away.

If you have any queries relating to the above, please contact People's Choice on (08) 9489 2700 or by email on corpsuper@peopleschoicecu.com.au.

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