FINANCIAL LEGACY BUILDERS

STEP #2
Estate Planning

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ESTATE PLANNING:
PLAN TODAY. PROTECT TOMORROW.

Estate planning is about more than your wealth—it's about your wishes.
A solid plan helps protect your loved ones, your assets, and your legacy.

THE BENEFITS OF ESTATE PLANNING

PROTECT YOUR LOVED ONES
Provide for the people you care about most.

SECURE YOUR ASSETS
Help ensure your assets are distributed as you intend.

REDUCE STRESS & UNCERTAINTY
Make things easier for your family during a difficult time.

MINIMIZE TAXES & EXPENSES
A plan can help reduce estate taxes and avoid unnecessary costs.

LEAVE A LASTING LEGACY
Support the causes and values that matter to you.

KEY COMPONENTS OF AN ESTATE PLAN

WILL
Specifies how your assets will be distributed and who will care for minor children.

TRUST
Helps manage and protect assets for your beneficiaries and can avoid probate.

POWER OF ATTORNEY
Names someone you trust to make financial or legal decisions if you can't.

HEALTHCARE DIRECTIVE
Ensures your medical wishes are known and followed if you can't speak for yourself.

BENEFICIARY DESIGNATIONS
Designates who receives assets like life insurance and retirement accounts.

TAKE THE FIRST STEP TODAY

TAKE INVENTORY
List your assets, accounts, and important documents.

TALK ABOUT IT
Have open conversations with your loved ones.

WORK WITH AN ADVISOR
Get personalized guidance to create a plan that fits your goals.

REVIEW & UPDATE
Life changes—your plan should too. Review it regularly.

WHO NEEDS ESTATE PLANNING?

If you have assets, loved ones, or wishes for your future—you need a plan.

- Homeowners
- Parents & Guardians
- Business Owners
- Anyone Who Wants Peace of Mind

WHAT IS PROBATE?

Probate is the legal process of settling a person's estate after they pass away.
It ensures debts are paid and assets are distributed according to the will—or state law if there is no will.

THE PURPOSE OF PROBATE

- Validates the will (if there is one) and confirms the executor.
- Identifies and inventories the deceased person's assets.
- Pays outstanding debts, taxes, and final expenses.
- Distributes remaining assets to heirs or beneficiaries according to the will or state law.

THE PROBATE PROCESS

1. **FILE PETITION** — A petition is filed with the court to open the estate.
2. **APPOINT EXECUTOR** — The court validates the will (if any) and appoints the executor.
3. **INVENTORY ASSETS** — The executor identifies and values all assets owned by the deceased.
4. **PAY DEBTS & TAXES** — Debts, taxes, and final expenses are paid using estate assets.
5. **DISTRIBUTE ASSETS** — Remaining assets are distributed to heirs or beneficiaries.
6. **CLOSE ESTATE** — The court approves the final accounting and the estate is closed.

KEY THINGS TO KNOW

TIME-CONSUMING
Probate can take several months to over a year to complete.

COSTLY
Court fees, attorney fees, and other costs can reduce the value of the estate.

PUBLIC RECORD
Probate is a matter of public record, meaning anyone can see it.

NOT ALWAYS REQUIRED
Assets held in a trust, with a named beneficiary, or jointly owned may avoid probate.

WHY IT MATTERS

Understanding probate helps you plan ahead, avoid surprises, and protect your loved ones from unnecessary stress, delays, and expenses.

PLAN AHEAD

Estate planning tools like trusts, beneficiary designations, and joint ownership can help your assets pass outside of probate—saving time, money, and privacy.

TRUST vs. WILL

Both are important estate planning tools.
They serve different purposes.

TRUST	FEATURE	WILL
Avoids probate.	PROBATE	Goes through probate.
Takes effect during your lifetime (revocable) and after death.	WHEN IT TAKES EFFECT	Takes effect only after death.
More private.	PRIVACY	Public record through probate.
Allows management of assets if you become incapacitated.	INCAPACITY	Does not address incapacity.
Can provide for minor children, special needs beneficiaries, and specific distribution terms.	FLEXIBILITY	Limited to basic instructions for asset distribution.
May involve upfront costs and ongoing administration.	COST	Generally lower cost to create.

BEST PRACTICE: Marny people use both.
A trust provides privacy, control, and continuity.
A will ensures anything not in the trust is distributed.

Work with your estate planning professional to determine what's right for your situation.

TYPES OF TRUSTS:
WHICH ONE IS RIGHT FOR YOU?

Trusts come in many forms, and each serves a unique purpose.
Choosing the right trust depends on your goals, assets, and the people you want to protect.

REVOCABLE LIVING TRUST

Allows you to manage your assets during your lifetime and distribute them after death—avoids probate and offers flexibility.

IRREVOCABLE TRUST

Cannot be changed or revoked easily—helps protect assets, reduce taxes, and may qualify for government benefits.

FAMILY TRUST

Designed to provide for family members—can be used for children, grandchildren, or multiple generations.

SPECIAL NEEDS TRUST

Provides for a loved one with disabilities without affecting their eligibility for government benefits.

ASSET PROTECTION TRUST

Helps shield assets from creditors, lawsuits, and other risks—commonly used in estate and financial planning.

TESTAMENTARY TRUST

Created in a will and takes effect after death—often used to manage assets for minor children or specific beneficiaries.

CHARITABLE TRUST

Supports charitable causes while providing tax benefits and potential income for you or your beneficiaries.

DYNASTY TRUST

Designed to last for multiple generations—helps preserve wealth and minimize estate taxes over time.

LIFE INSURANCE TRUST (ILIT)

Holds life insurance outside of your taxable estate—provides liquidity for heirs and may reduce estate taxes.

PET TRUST

Ensures your pets are cared for after you're gone—designates caregivers and provides funds for their care.

KEY TAKEAWAY

There is no one-size-fits-all trust.
The right trust depends on your unique goals, family situation, and financial picture.
A thoughtful plan today can protect your assets and provide peace of mind for tomorrow.

THE RIGHT TRUST CAN HELP:

- Avoid probate and save time
- Protect assets and privacy
- Reduce taxes and costs
- Provide for loved ones and pets
- Create a lasting legacy

ADVANCED & SPECIALIZED TRUSTS:

EVEN MORE OPTIONS FOR COMPLEX NEEDS

For high-net-worth individuals, blended families, business owners, and unique situations, these advanced trusts offer powerful solutions for protection, planning, and legacy.

CREDIT SHELTER / BYPASS TRUST

Used to utilize federal estate tax exemptions and shelter assets from estate taxes for beneficiaries.

QTIP TRUST (QUALIFIED TERMINABLE INTEREST PROPERTY)

Provides income to a surviving spouse for life, with remaining assets passing to children or other beneficiaries.

MARITAL TRUST

Helps provide for a spouse while preserving assets for children from a previous relationship or for future generations.

GENERATION-SKIPPING TRUST (GST)

Allows assets to pass to grandchildren or later generations without incurring generation-skipping transfer taxes.

GRANTOR RETAINED ANNUITY TRUST (GRAT)

Allows you to transfer assets at a reduced gift tax value while retaining an annuity for a set term.

GRANTOR RETAINED UNITRUST (GRUT)

Similar to a GRAT but retains a percentage of the trust assets' value annually for a term of years.

SPENDTHRIFT TRUST

Protects beneficiaries from their own creditors, lawsuits, divorce, and poor financial decisions.

BUSINESS TRUST

Holds ownership interests in a business, helps with succession planning, management continuity, and tax efficiency.

IRREVOCABLE LIFE INSURANCE TRUST (ILIT)

Owns a life insurance policy outside of your taxable estate to provide tax-free benefits to your beneficiaries.

CHARITABLE REMAINDER TRUST (CRT)

Provides income to you or beneficiaries for life, with the remainder going to charity at the end.

CHARITABLE LEAD TRUST (CLT)

Provides payments to charity for a term of years, with remaining assets passing to your heirs.

LIFETIME QPRT TRUST

Allows you to transfer property to heirs at a reduced gift tax cost while retaining the right to live in it.

INTENTIONALLY DEFECTIVE GRANTOR TRUST (IDGT)

Pays grantor trust income taxes intentionally, allowing the trust to grow income tax-free for beneficiaries.

ASSET PROTECTION TRUST

Structured to protect assets from lawsuits, creditors, and other potential threats. (Must comply with state laws)

OFFSHORE TRUST

Created in a foreign jurisdiction for privacy, asset protection, and international tax planning. (Must comply with U.S. laws)

SPECIAL PURPOSE TRUST

Designed for a specific reason, such as holding real estate, settlement proceeds, or royalties.

DYNASTY TRUST

Structured to last for many generations—preserving wealth, values, and legacy far into the future.

PET TRUST

Ensures your pets are cared for after you're gone—designates caregivers and provides funds for their care.

EDUCATION TRUST

Sets aside funds to pay for education expenses for children, grandchildren, or other beneficiaries.

SPECIAL NEEDS TRUST

Provides for a loved one with disabilities without affecting their eligibility for government benefits.

SETTLEMENT TRUST

Holds personal injury or legal settlement proceeds and distributes them based on your wishes.

PRIVATE TRUST

Offers privacy, control, and flexibility beyond what a will can provide through probate.

TESTAMENTARY TRUST

Created in your will and takes effect after death—often used for minor children or specific beneficiaries.

PROTECTIVE TRUST

Combines asset protection with structured distributions to safeguard wealth while supporting beneficiaries.

- Protect Assets from Creditors and Lawsuits
- Reduce Taxes and Preserve Wealth
- Provide for Loved Ones Across Generations
- Maintain Privacy and Control
- Support Business and Succession Plans
- Create a Lasting Legacy That Reflects Your Values

ESTATE TAXES: THE NUMBERS THAT MATTER

THE TRUTH ABOUT WHO PAYS — AND WHO DOESN'T

Estate taxes impact far fewer people than most believe. Understanding the real numbers can help you focus on what truly matters.

WHO ACTUALLY PAYS ESTATE TAXES?

LESS THAN 0.2% of Americans pay federal estate taxes.

In 2024, only about 6,300 estates are expected to owe federal estate tax out of more than **2.8 MILLION** deaths.

THE FEDERAL ESTATE TAX (2024)

Exemption Amount
$13.61 MILLION
per individual ($27.22 million per married couple)

Top Tax Rate
40%
on amounts above the exemption

Portability
Unused exemption can be transferred to a surviving spouse

Most estates are well below the exemption amount and owe $0 in federal estate tax.

ESTATE TAX vs. INHERITANCE TAX

ESTATE TAX
Paid by the estate before assets are distributed to heirs.

INHERITANCE TAX
Paid by the heirs who receive the inheritance. (Only 6 states impose an inheritance tax)

STATES WITH AN INHERITANCE TAX (2024)

Only 6 states tax inherited assets:

Iowa, Kentucky, Maryland, Nebraska, New Jersey, Pennsylvania

STATE ESTATE TAXES

12 states (plus D.C.) have a state estate tax with lower exemption amounts than the federal level.

Examples of 2024 State Exemptions:

Washington	$2.19 million
Oregon	$1.0 million
Minnesota	$3.0 million
Illinois	$4.0 million
New York	$6.94 million
Massachusetts	$2.0 million

(Exemptions and rules vary by state and are subject to change.)

WHAT THIS MEANS FOR YOU

YOU PROBABLY WON'T PAY ESTATE TAXES.
The vast majority of families will never owe federal estate tax.

FOCUS ON YOUR GOALS, NOT FEAR.
Estate planning is about more than taxes—it's about protecting your family, your legacy, and your wishes.

PLANNING STILL MATTERS.
A good plan ensures your assets go to the right people, in the right way, at the right time.

RULES CAN CHANGE.
Exemption amounts are subject to change. Plan ahead and review regularly.

KEY TAKEAWAY

Estate taxes affect a tiny percentage of Americans with very large estates. For most people, smart planning is about peace of mind, protection, and purpose—not the estate tax.

THE BIG PICTURE

If your estate is under the federal exemption amount, you won't owe federal estate tax. If it's above, strategic planning can help minimize taxes and maximize your legacy.

Most estates. Most families. No estate tax.

99.8% of Americans don't pay.

THE TRUTH ABOUT TRUSTS:
MOST PEOPLE DON'T NEED ANYTHING CRAZY SPECIAL

Trusts can be powerful tools—but more complex doesn't always mean better.
For the vast majority of people, a simple plan is usually all you need.

WHO REALLY NEEDS COMPLEX TRUSTS?

Advanced or specialized trusts are typically only necessary for very complex situations or high-net-worth estates.

COMPLEX SITUATIONS MAY INCLUDE:

- Blended families with significant assets
- Business ownership or succession planning
- Children or beneficiaries with special needs
- High risk of lawsuits or creditors
- Advanced tax planning needs
- Assets in multiple states or countries
- Family dynamics requiring detailed control

TYPICALLY RECOMMENDED FOR:

$10 MILLION+
in total assets

If your estate is under $10M and your situation is relatively straightforward, a simple will (and maybe a basic trust) is usually the smarter, more cost-effective choice.

TRUST VS. WILL: WHAT MOST PEOPLE SHOULD KNOW

TRUST		WILL
Avoids probate	PROBATE	Goes through probate (public & time-consuming)
More privacy	PRIVACY	Public record
Allows management if you become incapacitated	INCAPACITY PLANNING	Does not provide incapacity management
Upfront cost to create	UPFRONT COST	Lower upfront cost
Ongoing upkeep and administration	ONGOING MAINTENANCE	No ongoing maintenance
Can help with tax planning in certain situations	TAX IMPACT	Generally more tax-efficient

THE HIDDEN DOWNSIDES OF TRUSTS

TRUSTS REQUIRE UPKEEP

- Must be properly funded and maintained
- Ongoing administrative responsibilities
- May require annual reviews and updates
- Trustees have fiduciary duties and liability
- Poorly maintained trusts can cause problems and even more expense

TAXES ARE OFTEN HIGHER

- Irrevocable trusts may have compressed tax brackets
- Trust income is taxed at higher rates
- Fewer deductions and exemptions
- Can result in paying significantly more in taxes over time

A trust isn't automatically better—it's a tool. The right plan is the one that fits your life, your goals, and your legacy.

KEEP IT SIMPLE. KEEP IT SMART.

For most people, a well-drafted will, proper beneficiary designations, and a few key documents provide everything they need—without the cost, complexity, and higher taxes of a trust.

FOCUS ON WHAT MATTERS MOST:

Protecting your loved ones, providing for your family, and creating a legacy that lasts.

WHY WE PARTNERED WITH TRUST & WILL

ESTATE PLANNING MADE SIMPLE, COMPREHENSIVE & ATTORNEY-SUPPORTED

We've partnered with Trust & Will to provide you with a complete estate planning solution backed by industry-leading technology and unlimited attorney support—at no cost to you.

WHY WE CHOOSE TRUST & WILL

LEGALLY VALID & STATE-SPECIFIC
All documents are created by legal professionals and customized to your specific state laws.

EASY & CONVENIENT
Complete your estate plan online in as little as 20 minutes from the comfort of your home.

SECURE & PRIVATE
Your information is protected with bank-level security and 256-bit encryption.

BUILT FOR REAL LIFE
Whether your estate is simple or complex, Trust & Will makes it easy to get it right.

100% COVERED BY FINANCIAL LEGACY BUILDERS
We cover the entire cost of your Trust & Will plan because we believe every client deserves to have their estate plan done the right way—without worrying about expense.

UNLIMITED ATTORNEY SUPPORT INCLUDED

Your plan. Your questions. Whenever you need it.

With your Trust & Will plan, you get unlimited access to experienced estate planning attorneys—at no additional cost, for as long as you need it.

WHAT YOU CAN GET HELP WITH:

- Understanding your documents
- Updating your plan as life changes
- Funding your trust correctly
- Beneficiary designations
- Guardianship for minor children
- Special needs planning
- Asset protection strategies
- Tax planning questions
- And much more!

PEACE OF MIND FOR LIFE
Life changes. Laws change. We're here for you every step of the way—today, tomorrow, and for years to come.

YOUR TRUST & WILL PLAN INCLUDES:

REVOCABLE LIVING TRUST
Avoid probate, maintain privacy, and keep control of your assets.

LAST WILL & TESTAMENT
Directs how your assets are distributed and names guardians for minor children.

HEALTHCARE DIRECTIVE
Ensures your medical wishes are known and respected.

FINANCIAL POWER OF ATTORNEY
Allows someone you trust to manage your finances if you're unable to.

SECURE DOCUMENT STORAGE
Safe, encrypted storage for your important documents and easy access anytime.

HOW IT WORKS GET YOUR PLAN IN 3 SIMPLE STEPS

1. **ANSWER QUESTIONS**
Answer a few simple questions about you, your family, and your wishes.

2. **REVIEW & COMPLETE**
Review your customized documents, sign online, and you're all set.

3. **PROTECT WHAT MATTERS MOST**
Gain confidence knowing your loved ones and legacy are protected—today and always.

PLAN TODAY.
PROTECT TOMORROW.

MAKE YOUR WISHES KNOWN

A plan ensures your wishes are followed.

PROTECT THE PEOPLE YOU LOVE

Provide for your family and the people who matter most.

REDUCE STRESS & AVOID CONFUSION

A clear plan makes a difficult time easier for your family.

The best estate plan isn't the most complicated.
It's the one that is complete, current, and built for your life.

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Thank You