17 REASONS TO *Update Your Will*

AARP Foundation®

Worthwhile Updates

Your Guide to When and How to Change Your Will

You have a will, so you can rest easy, right? Not necessarily. If your will is outdated, it can actually cause more harm than good. Even though it can provide for some contingencies, an old will can't cover every change that may have occurred since it was first drawn. Here are 17 reasons to update your will.

Take a Look at What Has Changed

Professionals advise that you review your will every few years and more often if situations such as the following five have occurred since you last updated your will.

1] Family changes. If you've had any changes in your family situation, you will probably need to update your will. Events such as marriage, divorce, death, birth, adoption, or a falling out with a loved one may affect how your estate will be distributed, who should act as guardian for your dependents and who should be named as executor of your estate.

2] Relocating to a new state. The laws among the states vary. Moving to a new state or purchasing property in another state can affect your estate plan and how property in that state will be taxed and distributed.

3] Changes in your estate's value. When you made your will, your assets may have been relatively modest. Now the value may be larger and your will no longer reflects how you would like your estate divided.

4] Tax law changes. Federal and state tax laws are constantly changing, so you will want to be aware of any updates that affect you. An outdated estate plan may fail to take advantage of strategies that will minimize taxes.

5] You want to support a favorite cause. If you have developed a connection to a cause, you may want to benefit a particular charity with a gift in your estate. Contact us for sample language you can share with your attorney to include a gift to AARP Foundation in your will.

Keep It Current

When life changes, so should your will. Ensure that this important document matches your current wishes by reviewing it every few years.

Unleash Your Will Power

If you need to make a will—or revise an old will—here are some actions that can be accomplished with your will.

6] Make gifts. You can give jewelry, art, or other prized possessions to those who will appreciate them.

7] Create a trust for your loved ones. This is a good way to protect family and safeguard money. A professional trustee can manage your money wisely and make sure your beneficiaries receive enough income to maintain their standard of living.

8] Name your executor (personal representative). Before you choose an executor, weigh the qualifications of your choice against the many critical duties required.

9] Cut your estate taxes. Trusts can be created inside your will to take advantage of estate tax saving techniques. One such trust, the bypass trust, is created to pay income for your spouse's life, yet is designed to bypass his or her taxable estate.

10] Name a guardian for a child with special needs or a dependent under your care. Choose someone who's willing and qualified to take the job and who shares your values and way of life.

11] Pass on a closely held business. You can provide for the management and disposition of your interest in a closely held business to preserve its value and your family's participation.

Watch Out for Assets Not Covered in Your Will

The following components of your estate plan are distributed by means other than your will and may require additional strategies:

Title arrangements. These can supersede the terms in your will. For example, you may hold bank accounts, securities, or your home in a form of joint tenancy with someone else, which entitles the survivor to full ownership of that asset.

Retirement plans. After your lifetime, retirement plan assets will be paid to the beneficiaries you have designated in the plan.

Life insurance. Proceeds are payable to the beneficiaries you have named in your policies.

Use Your Will to Give Back

Do you want to help AARP Foundation shape the future after your lifetime? If so, there are many ways you can do this in your will. Here are some suggestions.

12] Give AARP Foundation a share of what's left in your estate after other obligations are met.

13] Give us a specific amount of cash or securities.

14] Leave certain personal or real property to us and allow us to decide whether to keep it or sell it.

15] Make a contingent bequest. That is, you give part of your estate to some individual if that person survives you; if not, then it goes to us.

16] Create a charitable remainder trust to pay an income to your spouse or other loved one for life, and designate the remaining principal for us.

17] Create a charitable lead trust to pay income to us for a number of years, or for another person's lifetime, with the trust assets eventually being distributed to your family.

Get the Help You Need

To make sure your will accomplishes all you intend, seek the help of an attorney who specializes in estate planning. If AARP Foundation fits into your plans, we can help you choose the method that best satisfies your wishes and our needs. Simply contact us.

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