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Portfolio Perspectives: Why Estate Planning Isn't Just for the Wealthy

8 Essentials to Protect Your Family, Your Assets and Your Intentions

By The Dynamic Asset Management Team

When most hear the words *estate planning*, they picture sprawling mansions, yachts and multi-generational wealth. But here's the truth: Estate planning is not just for the ultra-wealthy. It's for anyone who wants their hard-earned assets to be passed on with clarity, efficiency and care.

No matter your net worth, an intentional estate plan is one of the most powerful tools to reduce confusion, minimize taxes and protect your family's future.

Here are eight essentials of an effective estate plan and why they matter for everyday families just as much as millionaires.

1. Create or Update Your Will

The foundation of your estate plan, a **will** outlines how your assets should be distributed and who should care for minor children if something happens to you.

Already have a will? That's great, but review it after life events like marriage, divorce, births or major financial changes. Keeping it current ensures your wishes still reflect your life.

2. Consider a Trust to Avoid Probate and Provide Structure

Trusts aren't just financial tools for the wealthy. A **revocable trust** can help your estate avoid probate, the often slow and expensive court process, while allowing you to maintain control during your lifetime. An **irrevocable trust** can offer even greater protection from creditors and reduce estate taxes, though it requires giving up some control.

Trusts are especially valuable if you want to provide long-term support for beneficiaries, maintain privacy or distribute assets in a specific way over time.

3. Assign Power of Attorney

If you become incapacitated, someone will need legal authority to manage your finances or make decisions on your behalf. Without a durable **power of attorney**, your family may be forced to go through the courts to gain access to your accounts or handle your obligations.

Designating a trusted person today protects your autonomy and spares your loved ones unnecessary stress later.

4. Create a Health Care Directive

A **health care directive**, or **living will**, outlines your medical preferences and names someone to make decisions if you can't.

A well-known example is Terri Schiavo, who spent 1990 to 2005 in a vegetative state while her family battled in court over her care because she had no directive in place. Avoid putting your loved ones in such a position.

A clear directive avoids uncertainty and protects your loved ones from agonizing decisions.

5. Review Beneficiary Designations

Certain financial assets (retirement accounts, life insurance policies, some bank accounts, etc.)

allow you to name **beneficiaries**. Beneficiary designations override your will, which means they directly dictate who receives those assets.

6. Minimize Estate Taxes

Even if you don't consider yourself wealthy, **estate taxes** may still apply. Currently, individuals can pass on up to \$13.99 million tax-free, or \$27.98 million for married couples. Anything above that is taxed at up to 40 percent.

If current tax laws expire in 2026, these exemptions could be cut in half. Strategies like annual gifting, charitable trusts, or converting traditional IRAs to Roth IRAs can help reduce your taxable estate.

Planning now can save your family significantly in the future.

7. Keep Your Documents Organized

Even after executing everything on this list, the most meticulous estate plan can fail if no one knows where to find it.

Store your will, trust documents, financial records, and powers of attorney in a safe, accessible place. Include digital copies if possible.

Also consider your online accounts. Use a secure password manager to store logins for banking, investments and other key platforms. Share access with someone you trust.

Let your executor or a trusted family member know where all important documents are in case of an emergency.

8. Review Your Plan Regularly

Your estate plan should evolve with your life. Major events like marriage, divorce, the birth of a child or significant financial changes are good reasons to revisit your plan.

Even without major changes, reviewing your documents every two to three years helps ensure your wishes remain clearly defined and legally enforceable.

Your Legacy, Your Choice

Estate planning isn't just about transferring assets. It's about making thoughtful decisions today that protect your family's future, minimize taxes and delays and leave a legacy that reflects your values. You don't need millions to benefit from having a plan. You just need a willingness to think ahead and take action.

If you're unsure where to begin, consider speaking with an estate planning attorney or your financial advisor. Taking the first step now can provide peace of mind for years to come.

Invest with intention.

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