

6 Steps of Estate Planning

Creating an estate plan is a smart move for many people, and does not necessarily require a substantial commitment of time or money. Consider these six steps to initiate your plan:

Step 1: Prepare an Inventory of Assets and Liabilities

An inventory of your assets and liabilities is necessary for various elements of your estate plan, including tax minimization and will planning.

Step 2: Define Your Estate Planning Objectives

When developing your estate plan, you should consider both personal and financial objectives that you wish to achieve with your plan.

Step 3: Evaluate your Objectives

Once you have clearly defined your estate objectives, the next step is to determine how your objectives can be achieved based on your current financial position. In conjunction with your objectives, you will need to consider other factors such as inflation, tax liabilities and U.S. Estate Tax.

Step 4: Develop an Action Plan

Your action plan will result from the issues identified in your estate evaluation. The fundamental component of your action plan will likely be [creating a will](#) or, trust. If you currently have a will, review the document to ensure it reflects your wishes. Many issues can be easily resolved through a well-constructed will.

Step 5: Use Advisors to Implement Your Plan.

This step is crucial to ensuring that your estate plan is properly implemented. You may require the assistance of several professionals, including an estate lawyer, an accountant, a financial planner, a trust officer an investment advisor. As you seek out these advisors, make sure you select individuals who have expertise in estate planning.

Step 6: Periodically Review Your Plan.

As a final step, you should always remain aware of any changes in your personal situation and in legislation that may require changes to your overall estate plan. Periodic reviews and revisions are a must to ensure that your estate plan is still continuing to meet your objectives.