CAPTRUST



An Introduction to Estate Planning

Estate planning is an iterative process organizing finances and belongings. Each estate plan varies depending on your unique situation. It reflects the complexity of your financial life, building on early foundations as complexity layers. Estate planning can ensure that transfer of property aligns with your wishes during life and after death. It can also mitigate costly expenses like estate tax and probate fees. Always consult an estate planning attorney to draft documents relevant to your specific situation.

Considering your stage in life helps identify some common estate planning steps that could be helpful to consider. Regardless of your stage in life, there are essential documents applicable to all adults.

The Five Essential Estate Documents:

- **Last Will and Testament**: Names an executor, appoints a guardian for children, and details how you want your property distributed after death.
- **Durable Power of Attorney**: Appoints a designee to make legal and financial decisions for you should you become incapacitated.
- **Healthcare Power of Attorney**: Appoints a designee to make medical decisions on your behalf should you become incapacitated.
- **Living Will**: Specifies your wishes for end-of-life care, also known as an advance healthcare directive.
- **HIPPA Authorization**: Authorizes doctors and insurance providers to release your medical information to a designee.

Young Adult

These five essential estate documents listed above are important documents from the time a child turns 18 years old. The child is legally an adult, and the rights that parents previously had to discuss medical choices or deal with financial matters cease.

Even though a young adult may not have substantial assets, it is important to establish basic documents. A simple will granting their estate to their parents or siblings should be considered.

Another priority is establishing a Durable Power of Attorney and Healthcare Power of Attorney. Consider parents or another trusted adult for these responsibilities. In the event of an unexpected medical or personal emergency, these legal documents allow a trusted person(s) to handle the affairs of an adult unable to make decisions on her or his own.

Establishing Living Will and HIPPA Authorizations help the trusted person(s) operate within the wishes of the individual drafting the documents, empowering them to share necessary information.

Ensuring primary and contingent beneficiaries are listed on investment accounts and insurance policies also impacts the ease of asset transfer, ensuring that wealth impacts the people you want it to.

For Unmarried Partners

If you have a committed partner but arenâ??t legally married, it is important for couples to discuss and execute estate planning documents, since a non-married partner is not granted many of the state-law and federal benefits of a married spouse. A non-married partner will not have certain inheritance rights that a married couple would have. A will or trust is crucial to help ensure that upon one partnerâ??s death the other receives intended assets, without family or government intervening. Without one, state laws usually prioritize your closest relatives, which could mean your partner is left out entirely.

For Married Couples

As you plan your future together with your spouse, it is critical to discuss and prepare your estate plan. When you get married, your legal and financial status changes. As you potentially begin obtaining shared income, purchasing property together and filing joint tax returns, you will also want your estate plan to reflect a married relationship. Along with the five essential estate planning documents you will want to review your beneficiaries and possibly change the ownership of assets to joint.

Parents

Establishing guardianship in the event of the death of a parent is non-negotiable for parents. Without doing so, the court may determine where children may live. That may conflict with the wishes of parents with a much more intimate understanding of their childrenâ??s needs.

Life insurance is also important, as it can provide financial support to your family in the event of an untimely death, helping to replace your income and ensure your familyâ??s needs are met.

Beyond wills, you might consider setting up a trust to oversee your childrenâ??s inheritance if both parents die simultaneously. Trust provisions can provide detailed instructions about your intentions for when and how your children receive their inheritance.

Parenthood also opens the opportunity to leverage 529 Plans to help save for childrenâ??s education. Parents can super-fund these flexible tax advantaged accounts, meaning they can contribute the equivalent of five yearsâ?? worth of annual exclusion gifting without filing a gift tax return.

Early Retirement

Reviewing the essential estate planning documents, account beneficiaries, and any trust documents is imperative. Levels of assets, age of beneficiaries, and the time from the last draft of the document could have changed. This means that your documents may no longer reflect your wishes.

Advanced Age

If you are elderly or dealing with illness, itâ??s important to create or update your will and think about setting up a revocable living trust. Make sure you have a durable power of attorney and a clear healthcare directive in place to guide decisions if you become unable to speak for yourself. Communicate your wishes openly with your family and ensure they know where to find your essential documents.

Resource by the CAPTRUST wealth planning team

Have questions? Need help? Call the CAPTRUST Advice Desk at 800.967.9948, or schedule an appointment with a retirement counselor today.

Legal Notice
This document is intended to be informational only. CAPTRUST does not render legal, accounting, or tax advice. Please consult the appropriate legal, accounting, or tax advisor if you require such advice. The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes and is not a solicitation or an offer to buy any security or instrument or to participate in any trading strategy. The information and statistics in this report are from sources believed to be reliable but are not warranted by CAPTRUST Financial Advisors to be accurate or complete. All publication rights reserved. None of the material in this publication may be reproduced in any form without the express written permission of CAPTRUST: 919.870.6822.

Â© 2026 CAPTRUST Financial Advisors
