

Organize Your Estate Planning Documents

ORGANIZE YOUR ESTATE PLANNING DOCUMENTS

If, like so many, you are prone to disorder in the keeping of important documents, assuming that you keep them at all, you may be well past due for a makeover of your estate plan and your end of life instructions. It is not just a matter of maintaining tidiness for its own sake: a lot of money and time could be saved by making your estate plan organized and accessible and then keeping it that way.

Yes, it is easier said than done, but consider a quick fact if you doubt the importance of this undertaking: According to some sources that study such things, state treasurers now hold over \$32 billion (not million) dollars in unclaimed bank accounts and other such assets.

Then there is the prevalent problem of some large insurance companies failing to pay out unclaimed life insurance policies to beneficiaries, claiming that under the insurance contracts they are obligated to do so only when the beneficiaries come forward. When the beneficiaries are not even aware of the existence of the policies, obviously they do not come forward, and years of premiums may have been paid for nothing.

The take away lesson is that it is just as important to keep estate planning documents well organized and in a safe place, known to and accessible by your heirs, as it is to properly execute the documents in the first place. Any virtue can become a vice if taken to extremes, so this does not mean holding on to every scrap of paper that could conceivably be of interest to those you leave behind. Nonetheless, to possibly save your heirs a significant amount of money, time, and stress, at least the essential documents should be kept together, such as with your attorney, in a safe deposit box, and/or at home in a fireproof safe that someone can access when the time comes. Instructions on how to dispose of your estate will not mean much if you have not left instructions on how to find the controlling documents.

Essential Documents to Organize

So what are these essential documents that you should have well organized and accessible? Individual circumstances vary, but the first document for most people is an original will. Dying without a will means leaving the determination up to the state as to how your assets will be distributed, and if there is some writing, but not an original document, probate proceedings could become needlessly contentious and drawn out.

In addition to a will (and any trust documents), what follows is a nonexhaustive, but reasonably comprehensive, list of other important documents, the existence and location of which should be known to your heirs:

- Marriage license—A surviving spouse is likely to need it to prove that he or she was married to the deceased before being able to claim anything based on the marriage;
- Divorce papers;
- Durable health care power of attorney (for health care decisions if you are incapacitated), a living will, any do not resuscitate order, and an authorization to release health care information;
- Durable financial power of attorney (for financial decisions if you are incapacitated);
- Documentation of ownership of property, including housing, land, cemetery plots, vehicles, stocks, bonds, etc.;
- Proof of loans made and debts owed;
- List of bank and brokerage accounts, with account numbers, and any safe deposit boxes with the location of corresponding keys;
- Tax returns for the most recent three years;
- Life insurance policies and 401(k), pension, annuity, and IRA documents; and
- List of user names and passwords for Internet accounts.

With a little bit of foresight and planning, you can greatly reduce the administrative burden on your family and heirs after you pass.

For more information on this topic or help with other legal concerns please [email us](#) or visit our [website](#).