



Millennials Need an Estate Plan Too



Generally described as the generation born after 1980 but before 2000, Millennials are a large generation who are changing the game in many ways. That said, Millennials continue the folly of previous generations by failing to prepare for their own incapacity or demise. *USA Today* recently reported¹, via a Caring.com survey, that 78% of people 18-36 do not have a will or trust. This is a huge, and unfortunately common, oversight for every generation, including Millennials.

Many Millennials may feel they don't have enough money to justify a plan, but planning is about a lot more than net worth. For example, if you have a minor child, the only way to name a guardian for that child is through a will. Otherwise, courts must get involved to determine guardianship. This is typically not what people intend.

Perhaps you feel you don't have anything to concern yourself with because you're still building your net

worth and have lots of debt, likely student debt. However, did you know most federal student debt can be discharged at the time of death? While private student debt doesn't typically discharge, this may mean your net worth is greater than you think.

Perhaps you have some savings, a home, a 401(k), or a car. Regardless, you need to stipulate where you'd like your assets to go should something happen to you. If you don't, your state has default provisions for where your assets will pass, which means you don't get to control those distributions.

The most overlooked side of planning is preparing for incapacity. Should something happen to you and you can't make financial/medical decisions for yourself (car wreck, etc.), you need to have a plan to address these things. Financial powers of attorney and/or living trusts can address your financial needs, while a health care power of attorney and/or living will can address medical concerns.

If you fail to plan for this contingency, your bills and obligations will continue whether you are capable of addressing them or not. Even more scary is your medical decisions may be made by some doctor you've likely never met.

And if you haven't planned for your incapacity, a court action will be necessary to name a custodian to manage your affairs. Again, their decisions may not reflect your wishes.

¹ https://www.usatoday.com/story/money/personalfinance/retirement/2017/02/21/58-of-americans-are-making-this-huge-retirement-mistake/97819214/?utm_source=divr.it&utm_medium=twitter



Estate Planning

This task may seem overwhelming, but you have help available. Your Benjamin F. Edwards financial advisor has information about planning techniques and can provide support for you to build your plan. We can help you find an appropriate estate planning attorney if you don't have a relationship, and we can help navigate some of the financial decisions necessary when preparing your plan. Millennials may be the newest generation, but an old cliché still applies, "By failing to prepare you are preparing to fail." Get your

estate plan in order so that you can control how your care and your assets will be managed if something happens unexpectedly.

Benjamin F. Edwards does not provide legal advice. Therefore, it is also important to consult with your legal professional for additional guidance tailored to your specific situation. ■

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