



## **REMEMBERING IPSALU IN YOUR ESTATE PLAN – A GREAT WAY TO HELP YOURSELF AND IPSALU IN A BIG WAY**

**Roger Erwin, Attorney at Law\* and Ipsalu Secretary**

*Everyone* needs a written estate plan. The size of your estate and your age do not matter; you still need to do it, and do it now. Many people put it off, and almost all regret it. The process of preparing the documents prods you to think seriously about what you want to happen to your property when you are gone and to discuss your wishes with loved ones and, equally important, hear about their wishes. Estate planning provides an incentive to organize everything others will need during a time grieving. It allows you, if you wish, to write down what information you would want people to know during a memorial service, a time for transforming grief to fond memories.



Of course you need a Last Will and Testament, but you also need a General Durable Power of Attorney (avoiding guardianship for finances), a Health Care

Durable Power of Attorney (identifying person to speak for you regarding health care decisions during incapacity), a Living Will (addressing life-prolonging options) and possibly a Living Trust (avoiding probate). All these documents are subject to rigid formalities in execution, so do not try to do it on your own. You may need to do some Medicaid planning for long-term care so that the government does not take virtually all of your money during your last illness (such planning requires years of advance planning because of look-back provisions). You may need a Special Needs Trust for mentally-challenged ones. If you have children, even adult children, you may need to put property in a trust to preserve it from reckless spending.



Everyone should also make their wishes known so that the government does not assume how you want your money to be distributed. For example, in Indiana, if you pass without a will, then 1/2 of your intestate property goes to the spouse, and the remainder goes to the children. If you have no children, then the spouse receives a 3/4 share of your intestate property while the parents receive a 1/4 share. If you have children from a previous marriage, then the spouse inherits 1/2 of your intestate personal property and 1/4 of the fair market value of your real estate, minus the value of any liens or encumbrances on that real estate – the children get everything else. Get the picture?



Consider also that many types of property are not governed by what is called “intestate succession,” meaning the property does not pass by will. These may include, depending upon applicable state law: (1) life insurance proceeds, (2) funds in an IRA, 401(k), or other retirement account, (3) securities held in a transfer-on-death account; (4) real estate held by transfer-on-death deed; (5) vehicles held by transfer-on-death registration; (6) payable-on-death bank accounts, and (7) property you own with someone else in joint tenancy or tenancy by the entirety. These are usually distributed without regard to the Will. If you already have these documents in place, you should review them annually. You will be surprised to see that your wishes changing as life changes.



Some people would like to help Ipsalu during life, but cannot give what they would like because of financial constraints. A great way to help Ipsalu reach its goal of making scholarships available for workshops, subsidizing teacher compensation, publicizing Ipsalu and mentoring new teachers and students, is to include Ipsalu in your estate plan. If you already have a Will, you can modify it inexpensively by having your lawyer draft a simple Codicil, which is just a brief addition to your Will without rewriting the entire Will. You can make a bequest in your Will to Ipsalu in a flat amount or by a percentage of your estate or many other

ways, such as bequeathing specific property. You can identify how you want Ipsalu to allocate your bequest or you can make the bequest unrestricted. Please meditate and remember Ipsalu by giving until it feels good, touching the lives of those to come. You may want to let Ipsalu know about the bequest, and it is a good idea to have Ipsalu's contact information (phone number and address) with your estate documents so that the executor can contact Ipsalu.



***\*Disclaimer:*** It is because of attorneys like me that I am required to tell you that the above does not constitute legal advice, and it may be wrong. The law changes from state to state and from year to year. You should not rely on the above, but you should consult an attorney in your state of residency for legal advice. I do hope you are inspired to do what you need to do while remembering Ipsalu.