

Who Gets What

‘Who gets what’ can take time to work through. A good way is to develop a ‘plain English’ explanation and then discuss it with those who can advise you at arm’s length, such as your family and your professional advisers.

You can include your commitment to action as provided in your Longevity Plan under **Who Gets What**. Then set it down in more detail to discuss with your professional advisers for formal documentation.

It’s worth giving some thought to identifying not only who gets what, but also why some may not get what they expect. If you have strong views, set down why you feel this way.

This is increasingly important in ‘blended families’ where misunderstandings can arise. In some jurisdictions, courts can decide on how an estate may be distributed if serious disputes arise.

A testamentary trust can be set out in a will to protect assets. Reasons can include beneficiaries who are minors, have diminished mental capacity or whom you do not trust to use their inheritance wisely. Bankruptcy proceedings may be bypassed, and the impact of divorce reduced.

How you choose to distribute your assets may also have tax and other implications, requiring professional advice to achieve the best outcomes.

Wills

A will covers how your assets will be distributed. It can also say who has care of your (dependent) children, what trusts you may want, what charities get and things like funeral wishes.

Nearly half of Australians die without a will. Don’t be one of them. You can draft a will yourself, but it’s wise to ask a solicitor to review it for you as part of your longevity planning process.

You should update your will if things change. Significant changes could include your marriage, divorce or separation, additional children or grandchildren, death of your spouse or other beneficiaries, and your financial circumstances.

If you don’t have a will or it is invalid, a court pays your debts then uses a formula to distribute your remaining assets. If you don’t have living relatives, the state gets the lot.

Superannuation

You can make a binding nomination which ensures your super is paid to your named beneficiaries, regardless of your will. Contact your superannuation fund and be clear on what the current arrangements are and decide if you want to change them.

Trusts

If you have a family trust, it continues and is managed according to its trust deed, regardless of your will. Be sure you know where the details of the trust are held and note this in your Longevity Plan. Be sure there is a process for ensuring the Trust is properly managed if you are unable to do so.

Estate Planning

‘Who gets what’ is part of estate planning, a process which aims to ensure that your wishes for your assets and health care are honoured when you are unable to execute them.

It’s a good idea for a legal professional to be involved in your estate planning. Having your Longevity Plan completed is an important framework for executing your estate planning.