

may also combine to cause your estate to be subject to estate taxes. In some cases, state inheritance or estate taxes apply at much lower levels than federal taxes. Check with your advisors for current amounts that are exempt from state and federal taxation.

**17. A spouse always receives property free of estate tax.**

Only property left directly to a spouse or for the benefit of a spouse in a properly drafted trust will qualify for a tax-free transfer.

**18. Charities named in wills can be identified by their popular, generally accepted names.**

Charities should be identified by their proper legal name and address. The use of other names or addresses can lead to confusion and may result in the intended charity not receiving its legacy.

**19. A personal representative isn't needed for a small estate.**

A personal representative should always be named. Necessary decisions are often best made by someone you know and trust rather than a court-appointed representative.

**20. You shouldn't name your spouse to administer your estate.**

It can be practical to name your spouse if they are able to serve. Unfortunately, you have no way of knowing now if that will be the case. That is why it is a good idea to name an additional person to act if necessary.

**21. A good will rarely needs to be revised.**

Even the best wills may need to be revised if your current financial situation changes, as the needs of loved ones change or if personal representatives are unable to serve. Tax laws can also change over time, and so can your charitable wishes.

**22. It's usually best to leave everything to your spouse, who can then leave gifts for charitable purposes.**

It may be best for both spouses to provide for charitable gifts, as the interests of each spouse may differ and change over time.

**23. The best way to make charitable gifts is through your will.**

Giving by will is convenient for many, but you may also wish to explore other methods, such as giving through beneficiary designations.

**24. It is expensive to have an attorney draw up your will and difficult to find out the cost.**

Attorneys expect to be asked to quote fees in advance. The fee for their work and advice can be small when compared to the

taxes and other expenses a well-drafted will and other plans can save your heirs. Having a will that reflects your wishes can give you peace of mind that can be priceless.

**Learn more**

We hope after reading this you know more about wills and many of your questions are answered. Though this isn't a comprehensive list, it should emphasize the importance of having the proper plans in place. If we can provide more information or you have specific questions about the charitable aspects of your plans, please contact us.

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**24 THINGS PEOPLE  
"KNOW" ABOUT WILLS**  
That Aren't Really So



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*This code provides additional information to assist you in your planning or to share with your advisors.*



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Many of us spend a lifetime earning and saving for the future, yet surprisingly, the majority of adults do not even make a will.

Although there are any number of reasons people fail to make adequate plans, the real problem may be they believe they “know” things about wills that aren’t true. We’ve included some of the common misconceptions about wills along with responses that should make things more clear.

**1. The primary reason you need a will is if you have children.**

Even people with no dependents need wills if they want to determine who eventually receives their property.

**2. Only wealthy people need wills.**

If you have any assets at all, you need a will—even if your estate is modest, you only have a few heirs and your wishes are simple.

**3. When you pass away without a will, the law usually distributes your property in about the same way you would have.**

State laws will distribute property according to strict rules. Spouses and children may

receive equal amounts regardless of need, and no provision is made for friends or charitable interests.

**4. Couples who own their property jointly don't need wills.**

Joint ownership can be sensible and help reduce the expense and delay of probate, but both spouses will typically need wills to distribute property that isn't jointly owned.

**5. Only those who are wealthy or without close relatives make charitable gifts through their wills.**

More and more people with modest estates and loved ones they wish to provide for decide to make meaningful charitable gifts through their estate plans. This is especially true as changes in tax laws have made estate taxes less of a consideration for most people.

**6. State laws about wills are the same throughout the United States.**

Laws that govern estate settlement vary by state. That's why you should always carefully review your will with the help of an attorney in the state where you live.

**7. A will is the only way you can leave property to others.**

You might create a trust with instructions for distribution of your property. Another option is to own homes and certain other property jointly. Life insurance proceeds and retirement plan remainders are typically left through beneficiary designations.

**8. Real estate is treated like other property.**

There can be differences in how the law treats different types of property. For example, a will that distributes real estate must normally be valid in the state where the property is located regardless of the owner's state of residence.

**9. A will is always valid regardless of its content.**

This is not the case if a person is defrauded or is subject to what the law refers to as undue influence by another.

**10. You have to be at least 21 years old to make a valid will.**

A person must be of legal age to make a will. In most states, 18 is the minimum age.

**11. A person can completely disinherit their spouse.**

Although a will may attempt this, the surviving spouse may file a claim for a "marital share," a minimum amount guaranteed under the laws of most states.

**12. One spouse always has the same rights to the other spouse's estate.**

In some states, rights will vary depending on a number of factors, including whether property was acquired before or after a marriage.

**13. Once a will is made, nothing can change it except a completely new will.**

A codicil (amendment) added to an existing will can alter its provisions. A will may also be changed in other ways. For example, a

marriage, divorce or birth of a child after making a will may automatically give or take away inheritance rights from a spouse or others. Changes in laws can also alter how a will is interpreted.

**14. A handwritten will that isn't witnessed is not valid.**

In some states, such wills are valid when the testator's handwriting is known by friends and associates and can be identified by them.

**15. A will is the most effective way to leave life insurance proceeds and assets held in qualified retirement plans.**

Usually, the proceeds of a life insurance policy or the remainder of retirement plans are distributed according to the terms of a beneficiary designation form. If beneficiaries are not named, are no longer living or the estate of the owner is designated as beneficiary of the policy or plan, a person's will may ultimately determine who receives the assets.

**16. Because most people have estates smaller than amounts subject to state and federal taxes, it is a waste of time to consider planning to minimize these taxes.**

Currently, larger amounts can be left to heirs free of gift and estate tax. Keep in mind, however, that the total value of your home, savings and other assets may be greater in the future. Increases in investment values, insurance proceeds, retirement accounts and inheritances