

Remember these tips when naming Beneficiaries to your Estate.

The proper designation of beneficiaries will ensure that your Estate passes to those you intend - in a timely manner – and without excessive costs.

Keeping the following in mind when planning:

1. **Be specific about your beneficiaries** – The more specific you are, the better. Describe a beneficiary by name instead of by group. For example, if you want all your children to inherit, name them individually.

Stepchildren are not beneficiaries unless they are specifically named in your will or other estate documents. Naming each person individually, instead of saying “children” or “grandchildren” eliminates any confusion that could arise.

Be sure to specifically name any person you intentionally wish to disinherit. Failure to name a person who would normally inherit might result in a contesting of the Will which would be costly and time-consuming.

2. **Designate beneficiaries on all accounts if possible** – It’s smart planning to list beneficiaries on all accounts that allow named beneficiaries. These types of accounts include Life Insurance Policies and Retirement Accounts. Properly named beneficiaries need only to provide a certified death certificate to start the claims process and will not have to wait for an estate to be probated which can be time consuming and expensive. These designations supersede the Will.
3. **Name contingent beneficiaries** - Contingent beneficiaries are people, charities, or other entities who inherit only if the primary-named beneficiaries have predeceased you, or in the case of charities, if they no longer exist. This will prevent your assets from going to the wrong people, to people designated by state law, or even to the state itself in some cases.
4. **Be specific about the manner of distribution** – If you want to be sure that each child inherits equally, even if one of your children predeceases you, you can list the distribution *per stirpes*, which means that your child’s children would divide their parent’s share. Your surviving grandchildren would be able to split their parent’s share. Alternately, a *per capita* distribution means only surviving beneficiaries get the same amount.
5. **Review accounts with named beneficiaries or designations of Right of Survivorship** – The rules of joint tenancy or accounts with named beneficiaries *supersede what you’ve written in your will*. These should be reviewed before making final bequests.
6. **Designate a responsible beneficiary** – If a beneficiary is a minor or irresponsible, consider leaving assets in trust for them. A trustee can distribute assets a little at a time and in a responsible manner.

7. **A pet cannot be named as a beneficiary** – There are still ways to provide for your beloved pet after you pass away. You can do so by leaving a specific sum of money to a trust that will be created for your pet after you pass away. In your will you can name a person to act as the trustee of the “pet trust” and that person will oversee the funds for your pet’s benefit during the pet’s lifetime.

8. **Consider how an inheritance will affect the beneficiary** – If a beneficiary is a person with special needs receiving government benefits, an inheritance could disqualify the person from receiving such benefits. In addition, if your beneficiaries are all advanced in age, you may consider the impact inheriting assets could have on their ability to receive or keep Medicaid benefits. Talk with your attorney about ways to pass on assets without disrupting existing benefits.

Keeping these tips in mind allows you the peace of mind that you’ve done everything possible, so the right people inherit your assets in a timely fashion and with a minimal cost.

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