

PLANNING ON LEAVING AN INHERITANCE? HERE ARE FOUR TIPS



PERPETUAL PRIVATE INSIGHTS
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There seems to be an awkwardness around bringing up estate planning amongst many families. It's remarkable that so many of us are so close to our children, but never talk to them about what we would like to happen to the wealth we've spent a lifetime building up. While more than half of Australians expect to inherit, only just over a third have discussed it with their children¹.

Having an open conversation early means that come inheritance time all parties can be more prepared. Here are some tips when it comes to breaking the ice on your plans to leave an inheritance.

1. **Talk love, not death**

Many of our clients assume that a discussion about estate planning is a discussion about death. It's doesn't have to be. It can be about love and structuring the estate to take care of the people and causes closest to your heart.

2. **Avoid surprises or a crisis**

Surprises or misunderstandings can cause conflict and resentment when expectations do not align. Discussing wishes openly will go a long way to minimising these sorts of issues down the track. Also don't let circumstances – be it a medical issue or other emergency – force the conversation. Set your own agenda and choose a time that's most conducive to a positive, calm and constructive chat about the estate plan.

3. **Be clear and open**

Talk openly with your family but also listen to their preferences. Don't make any assumptions about the roles your family will (and won't) play in your plans. It's important your loved ones understand your intentions and you work together to agree on the role you would like them to play in safeguarding your legacy.

You may consider introducing your children to your financial adviser. It can be valuable to involve your children in your estate plans as this can lead to greater certainty and comfort on a subject which is usually clouded by doubt, worry and angst.

4. **Remember to continually review your Will**

It's critical to make sure your estate planning changes as your life changes. This means regularly revising strategies and structures to make sure your estate plan is always relevant to your needs. For example, if there is a major life event that requires you to amend your will, we suggest you make these changes as soon as possible. More broadly, to ensure your will remains current, we recommend you meet with your financial adviser to review your estate plan on an ongoing basis, typically every year.

We're here to help

With expertise in personal financial advice and trustee services, Perpetual can help you manage all the technical and emotional elements of estate planning and management. Having administered thousands of estates, we can help you navigate the legal, accounting, taxation and investment issues involved in protecting and growing wealth so the people you care about will benefit. Contact us on 1800 631 381 to talk about your estate planning needs.

1. Lembit, G., (2019) 'What do you care about', Perpetual Client Insights and Analytics, released 26 September 2019