

6 ESTATE PLANNING MOVES YOU SHOULD MAKE IN YOUR 30'S

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When you're in your 30s, planning for your eventual demise is likely to be low on your list of priorities. However, financial experts suggest that this could be the best time to start acting to protect your family and your assets in case the unexpected occurs.



"It is imperative that those in their 30s have their estate plans in order, because they have as much to lose as their elders -- in fact, sometimes more," says Dan White, owner of Dan White & Associates in Glen Mills, Pennsylvania. "You may be just settling down and getting married, purchasing your first home, and, most important, starting a family, which will now need to be protected."

To get started, experts recommend meeting with an attorney and financial adviser to put the following elements in place:

1. LAST WILL AND TESTAMENT

A will establishes who will inherit your possessions and assets when you die, but Douglas A. Boneparth, vice president and chief operating officer of Life and Wealth Planning in New York City, notes a will has other vital aspects. "A will also states other important information such as who you want to place in charge of administering your estate and who you want to be the guardians of any minor children."

2. LIVING WILL

A living will outlines your wishes if you are incapacitated, death is imminent, or you are in a persistent vegetative state, says Boneparth.

3. DURABLE POWER OF ATTORNEY

You should have a writtendurable power of attorney letter, which identifies someone who can make financial decisions for you if you're incapacitated and who can do things like pay your bills and manage your assets, says Boneparth.

4. HEALTH CARE PROXY

This document permits a specified person to make medical decisions on your behalf. "It even may make sense to have a conversation with the person you identify so that they clearly understand what your wishes are - God forbid these circumstances arise," Boneparth says.

5. LIFE INSURANCE

Term insurance is generally a cheap, cost-effective way to cover current debts that you don't want to straddle your significant other with should something happen to you, says Julian Guilfoyle, vice president of Cooper & Adel Financial in Centerburg, Ohio.

Craig Myers, founder of CR Myers & Associates in Southfield, Michigan, says many of his clients opt for a permanent life insurance plan to fund retirement, growth, educational savings and general accumulation. "My young clients also appreciate the ability to utilize this permanent vehicle as a funding resource for spontaneous financial opportunities or unforeseen emergencies," he says.

6. RETIREMENT FUND

Guilfoyle says it's essential for 30 somethings to start saving for retirement, particularly if their employers offer incentives such as profit-sharing or matching contributions to a 401(k). Make sure you update the beneficiaries of any retirement savings plans. After all of these items are in place, it is very important to review them annually with the professional who put the estate plan together, says White. "If you changed jobs and have a new 401(k) at work or expanded your family, you want this professional to evaluate everything properly," says White. "A common mistake I see way too often is people forgetting to name or change their beneficiary as their lives change. By not taking the time to write down one name, you could tie everything up in probate for months to years."



Based in Glen mills, PA. Daniel A. White and Associates has helped hundreds of families secure their retirements and enjoy their golden years worry free.
Call 888-690-8820
to set up a free consultation.