

## **How to Talk to Adult Children About Estate Planning**

### **From inheritance planning to finalizing your will**

Money and death tend to be taboo topics even among tight-knit families—so it's no wonder that many retirees and pre-retirees put off discussing their estate plans.

Some say they haven't had any discussions with their loved ones about what they plan to leave behind. The most common reasons were they didn't want to upset their family members; they felt uncomfortable thinking or talking about the topic and they didn't want to cause family conflicts.

Yet, putting off this important conversation not only adds to the discomfort, but it also raises the potential for bigger issues. While it can be difficult to start a conversation about estate planning, it is ultimately for everyone's benefit.

Adult children who bank on eventually getting a large inheritance may not be as diligent about their own financial plans. Coming into an unexpected windfall ill-prepared may be no better; most Americans save only half what they inherit.

Meanwhile, estate planning isn't just about distributing assets; it's also about ensuring that your family has the information they need to honor your wishes and your legacy.

### **Make Sure You Have a Clear Vision**

Before you can articulate to your children your estate plans, you need to have a good understanding of what that plan is, both in terms of big-picture goals and practicalities, such as tax or legal considerations. If you have a significant

other, you'll want to get on the same page before you share your plans with the rest of your family. A big part of planning is balancing your financial needs through your lifespan with what you hope to leave your family.

## **Consider Your Family Dynamics and Map Out a Plan**

Every family has its own strengths and stresses, and that's important to think about before you raise the topic of your estate plans. For many families, for example, it's easier to start the conversation with "housekeeping" items, such as long-term care provisions and wishes, where you store important documents, or key people to contact. Other people respond better to big-picture conversations about values and legacy. Again, every family is different, but advisors generally don't recommend trying to tackle it all in one conversation. Rather, start with a list of talking points to open the conversation, and make plans to revisit as needed.

Finally, just because you're letting your kids in the loop on your estate plans does not mean you need to tell them everything about your finances. In fact, you may not want to be too specific, especially because your situation, or theirs, could change.

## **Pick an Appropriate Time and Place**

When you're ready to broach the topic, give your adult kids a heads up that you want to set some time aside to talk about your estate plan. You might first raise the issue by saying you were inspired by an article you read or a conversation you had with a friend or advisor.

Whatever your opener, try to strike a balance between giving the topic the weight it deserves and turning it into something bigger than it needs to be.

Carve out a specific time, and avoid a day or place that might already be

emotionally charged. Depending on your family dynamics and logistics, you'll want to think about whether it makes sense to talk to your kids one on one or bring them all together.

If your estate plan is complicated, you may want to include your financial advisor or advocate in the initial conversation or bring them in on the follow-up, if only to answer technical questions or help diffuse any emotions.

### **Provide Context for Your Decisions and Wishes**

On the one hand, it's important to keep emotions in check. On the other hand, it's important to acknowledge that estate planning isn't just about numbers. Many parents find it helpful to talk about the values and experiences that shaped their financial lives and the decisions that inform their estate plans.

Remember that good communication is a two-way street: Invite your kids to ask questions and let them know that they can follow up after they've had time to process. Moreover, be patient if their emotions get the best of them. Everyone processes information about money and mortality differently.

### **Keep the Conversation Going**

The bright side of talking with your kids about your estate plans is that getting started is usually the hardest part; it generally gets easier. Once you've laid the groundwork, you can build on it for future conversations that are less taxing and more productive.

What's more, by opening these lines of communication with your kids, you may be setting them up to be more proactive about their own planning, and talking more openly with their partners and children. That may be the greatest inheritance you can give them.

## **Helping your loved ones**

Nobody really wants to think about the end of life, but knowing the importance of planning is a good place to start.

There's no right or wrong time to have a conversation about your preferences for medical care, funeral arrangements or inheritance — it's just important to let your loved ones know.

By discussing your wishes with your family, you could be saving them from having to make difficult decisions later on without knowing what you would have wanted.

Conversations can make a real difference for your loved ones; it can determine whether they are left scrambling to make arrangements or calmly executing your wishes.

By planning ahead and sharing your preferences, you can help your loved ones to carry out your wishes calmly and prepared with information, options and costs.

### **Start a conversation**

To get started, choose a quiet setting where you can have the time to reflect and talk with your loved ones without being interrupted. Consider your beliefs, values and preferences for your current and future health. Think about the medical treatment you may or may not want. Take your time to decide how you want your assets to be put in order.

Be patient with each other, both you and your loved ones might need a few moments to think. Having a conversation with your loved ones about the end of life is not any different from writing your will or arranging your life insurance.