

## What is Estate Planning?

### What does it mean?

Estate Planning is a way of making sure your estate is passed onto your beneficiaries in the most financially efficient and tax effective way possible. Put simply, it aims to put the right money in the right hands and the right time! It is also the process of planning how to preserve your assets for your beneficiaries, and it is not just for the very wealthy!



Estate Planning is more than simply preparing a will. Generally a will only covers the distribution of assets personally owned by you. Estate Planning on the other hand, extends to asset protection and ensures tax efficiencies for your beneficiaries.

### What is the purpose of Estate Planning?

Estate Planning can help to protect your estate and assets, whether large or small. Its basic purposes are to:

1. choose how your property will be distributed after your death
2. help assure that your property will be distributed in an orderly and efficient way
3. Ensure Tax efficiencies

### Who Should Consider Estate Planning?

You should consider Estate Planning if any of the following apply:

- you want to pass on a family business
- you have a superannuation payout
- you want to make a gift to a charity
- you have a capital loss
- you have property which may be caught by capital gains tax, i.e. it was purchased after 19 September 1985
- you have life insurance
- there are family debts
- you want flexibility in distributing your assets, for example, there are more kids on the horizon or for tax purposes

## **Elements of Estate Planning**

There are many elements that need to be considered when planning your estate.

- Your will
- Trusts
- Executors memorandum
- Living will or Enduring Power of Attorney
- Life insurance
- Lifetime gifts and bequests
- Powers of attorney
- Guardianship

## **How to arrange your Estate Planning?**

As everyone's situation is unique, we recommend that you discuss your requirements with a professional. Your advisor is very experienced in Estate Planning matters and can certainly assist you. Alternatively you can discuss with your lawyer/solicitor.

Should you wish to discuss this very important matter further, please contact us to make an appointment.

Article written by YMD of behalf of Pinnacle Financial & Investment Services

### **What you need to know**

Any advice in this article is of a general nature only and does not take into account the objectives, financial situation or needs of any particular person. Therefore, before making any decision, you should consider the appropriateness of the advice with regard to those matters.

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