

# Leaving Words of Wisdom to the Next Generation

10.13.17 | Linda J. Rosenthal, JD



You come into the world a blank slate, and as you grow, you gain wisdom. You've planned your estate to leave physical assets to beneficiaries, so now think about leaving them something that's just as important but less tangible: the hard-won wisdom you've accumulated over your life. Let your family and friends learn from your mistakes, and profit from your successes.

## **Living and Other Trusts**

You probably know that a fully-funded living trust avoids probate. If you have concerns about some of your beneficiaries' ability to handle a windfall, speak to an estate planning lawyer about some options you can include in your trust. For example, one option is an incentive trust, which pays out money when the beneficiary meets certain conditions, such as finishing college or staying clean and sober. An incentive trust combined with a personal statement or video explaining why you've put conditions on the beneficiary's inheritance helps to pass along your wisdom to the next generation. You can let your heirs know that you love and care about them, and that's why you took the actions you did with the trust. While an heir may resent the limitation at the time, he or she may look back and realize you did a wise thing, especially after they've lived and incorporated your wisdom into their life.

## **Video Wills**

Video wills aren't legally binding since the law requires that a will be a written document, but that doesn't mean you can't make a video regarding your will as an adjunct to the written will. For example, suppose you left art, jewelry or other valuables to specific family members or friends. You might want to explain why you chose to leave that particular item to that person and perhaps share the article's meaning to you on the video. (Hint: If you think one child might resent the giving of an item to a sibling, this can be a good way to explain your intentions.) Some attorneys use video to help prove you were competent if it includes footage of you signing of the written will. Whether this is a good option depends on state law and your circumstances, so this may not be recommended

for you.

And of course, you can (and should!) create a personal video that has nothing to do with a will. If you have a family video collection, consider making a new video including favorite snippets and commenting on the earlier days. Time gives you perspective and appreciation, and those gifts are priceless. The memories and meaning that these videos have can be memorialized for generations to come.

#### **The Old-Fashioned Way**

Scrapbooking is a time-honored pastime that's recently experienced a renaissance. Pass on journals, photos, newspaper clippings and other ephemera via scrapbooks or albums. You can leave specially constructed letters inside for your family and loved ones. While only one family member can have the physical scrapbook at any one time, digital scrapbooking tools are fast-evolving and now allow you to create either a digital version or multiple print copies so that all your loved ones can share your life and thoughts.

#### **Charitable Planning**

Many of us have a favorite charity and cause we supported during life. Estate planning offers many opportunities to continue to support these organizations via planned charitable giving, both during your lifetime and after your death. An estate planning attorney can discuss charitable planning options best suiting your situation. Two examples are the Charitable Lead Trusts which can provide an immediate charitable gift and Charitable Remainder Trusts which can support a loved one (or you) for a period of time with money eventually going to your chosen charity. Leaving some of your estate to charity shows the next generation what mattered to you, and it encourages them to follow in your footsteps. While your heirs may not choose to fund the same organizations, you are setting an example of the importance of financially supporting charities close to your heart.

#### **Business Succession Planning**

If you own your company, business succession planning is crucial. Formal business succession planning, however, is just as important as your personal estate planning. It can make the difference in whether the company succeeds or fails, and the financial future of your family. But along with proper succession planning, a written statement or video to your board or employees helps enshrine your business' mission, values, and tradition.

#### **Leave a History**

When you're bequeathing antiques, art, jewelry and the like, leave the beneficiary a history of the piece and why it was important to you. If it's a family heirloom, write down whom it has passed to, from generation to generation. It's possible the family ties outweigh the actual value of the item. Sharing these stories will make a family heirloom cherished all the more.

Regardless of how you're leaving your memories and the meaning behind them to the next generation, you want to make sure that your family avoids unnecessary hassle and expense. Contact us today to discuss how we can implement a plan to leave the wisdom and wealth you've accumulated to your loved ones.