12 Documents to Prepare Now for Your Loved Ones

Gather these documents as a final parting gift for the people you love. It may be difficult to consider end-of-life plans, but it will make it easier and faster to transfer your assets and possibly have a financial benefit for your heirs.

Make sure they know where these files are kept and include your birth certificates, marriage and divorce certificates, and your social security numbers as well as your car titles. If you served in the armed forces, include your military ID and discharge paperwork.

1. Will & Trust

A will is probably the first thing that comes to mind when you think about estate planning. It lets you name your executor and describes how you want your assets distributed.

A will must go through probate. For an easier and faster way to transfer assets, consider a trust. A trust allows more control over how assets are distributed and can protect the beneficiaries in many situations.

2. Letter of Explanation

The will or trust states how assets will be divided, but a letter of explanation can explain the reasons for the contents of those documents. It is better to explain any discrepancy among heirs while you have a chance.

3. List of Financial Accounts and Beneficiaries

Keep a list of all your financial assets, including bank, retirement, and brokerage accounts. Each may have a designated beneficiary or transfer on death provision. Beneficiaries or TOD designees automatically receive ownership of these assets, no matter what the will states. Review the beneficiaries regularly as circumstances change. Note if there is a safe deposit box or home safe and how to access either. Copies of recent credit reports from Equifax, Experian, and TransUnion may be helpful.

4: List of Bills to Pay

Create a list of bills that should be paid and their frequency. Note any that are automatically paid from the checking account or by credit card. You may want to consider putting utility accounts in both names to facilitate a smooth transition in the event one spouse passes before the other.

5. Personal Inventory

Wills distribute personal property in general terms. Make sure nothing is overlooked by creating a list of personal property to be distributed, especially if you have items held elsewhere, like a storage unit. Some states allow a personal property memorandum to be used to designate the recipient, but only if it is mentioned in the will.

6. Power of Attorney

A power of attorney form is not a document that will be used by your heirs, but authorizes who will make decisions on your behalf if you become incapacitated due to an illness or accident. You can give the power of attorney to one person for both financial and health care decisions or split the jobs between two people. A living will states at what point life support will be terminated.

7. Life Insurance Policies

Keep information regarding your life insurance policies with your financial records. Your heirs may not realize you have one or they might not be able to find the policy.

8. Real Estate Records

Deeds, mortgage statements, and tax information for real estate should be gathered. Your heirs probably know what property you own, but it will make it much easier if the information is in one place. If you own rental property, this is even more important. If you want your heirs to split property, think about putting the deed in a trust. This will enable you to determine the percentage split among the beneficiaries.

9. Tax Returns

Provide tax returns for the last two years. Note the name of your accountant or tax preparer if you have your taxes done by one. That person will help your family file final tax returns and estate tax returns. If you prepare your own, keep a copy for your records and provided the login information if you use software or an online tax preparation service.

10. Online Accounts

List your usernames and passwords for all your online accounts, especially financial accounts, email and social media platforms. If you use a password manager, you may be able to designate a person with emergency access to your accounts. Include information on how to use this feature with your documents. Note: if an online account was opened in one spouse's name and that spouse dies, the account will probably be closed and the surviving spouse will lose all access as well as any benefits or points associated with the account. In this case, think about hotel and airline reward programs, social media accounts, AAA, AARP, etc.

11. Digital Estate Plan

A digital estate plan provides information regarding what will happen to your digital assets including social media accounts, websites, digital photos, and other online services.

12. Final Wishes

If you've made prearrangements for your funeral or cremation, keep that information with your will and other end-of-life documents. If you have not made prearrangements, but have specific wishes list those as well. Faith Presbyterian Church has *A Guide for Funerals and Memorial Services* which can help you plan ahead.

For instance, who do you want to plan your funeral and do you have a funeral home preference? Do you want to be buried or cremated; have a funeral or memorial service; and where do you want the service to be held and who do you want to officiate?   What are your music requests; scripture requests; pallbearers? Would you prefer a memorial donation in lieu of flowers? Are there special photos you want displayed or in the bulletin?   Do you want military honors? Is your final resting place a specific cemetery or columbarium?

By documenting some of these decisions now, you will have given your loved ones a precious gift that will ease their minds as they plan your service, knowing they are fulfilling your final requests.