

Expert Estate Planning:
Leaving a Lasting Legacy





What is *Estate Planning*?

Estate planning is the process of organizing your assets accumulated during your lifetime and planning for the tax-effective transfer of these assets upon your death.

ESTATE PLANNING ALSO CONSIDERS:

- the financial needs of your surviving family members in the event of your death
- your financial, contractual or moral obligations
- a plan for orderly business succession
- tax minimization strategies.

Estate Planning is *Crucial* in Today's World

Changing realities of the 21st century, such as an ever-evolving digital world, an aging population and longer life expectancies, make estate planning more challenging than ever before.



MANY CANADIANS NOW HAVE DIGITAL ASSETS

With more Canadians maintaining a personal, professional and financial presence online, provisions must be made for the transfer of not only physical assets but also *digital assets*. Estate planning is now including provisions for all knowledge and access to an individual's online bank and investment accounts and online financial activities. Why leave your family scrambling to access online financial information?¹



CANADIANS ARE NOW LIVING LONGER

Canadians now have longer life expectancies, and as a result, many individuals are providing some kind of financial assistance to their parents or aging relatives. Who will continue to provide care for older parents or relatives in the event of your death? Estate planning today demands a wider view of the list of your potential beneficiaries to make sure you leave a legacy to all your loved ones, both young *and* old.²

Why do *You* Need Estate Planning?

Most people make estate plans to express their care, generosity and love for their family. For many, it's the most heartfelt use of the assets collected over a lifetime of hard work. But what is the impact of not having estate planning?



UNCERTAIN HANDLING OF YOUR ASSETS

If you die without an estate plan, the law won't assume you've made beneficiary choices, tax elections or financial planning decisions, no matter how favourable they are for you or your family. Do you want the peace of mind knowing your assets will be distributed as you wish?



LEAVING FAMILY MEMBERS TO MAKE CHALLENGING DECISIONS

Those who die without an estate plan leave their surviving family members to deal with their assets and business as is. Unfortunately, family members may lack the expertise or experience to make important financial decisions. Why not reduce their stress by settling your affairs in advance?



INEQUITABLE DISTRIBUTION OF ASSETS

The distribution of an estate often results in uncertainty, conflict and even litigation over one's estate wishes. An organized estate plan ensures the equal distribution of all assets (including businesses and properties) to your loved ones. Estate planning can also be used to reward long-time employees who'll continue to benefit from years of service in your family business.

Four Important Steps in Estate Planning

Developing a successful estate plan requires balancing a variety of needs and goals important to you and your family. These steps will help you design a plan that meets as many of your goals as possible.

STEP

1

ESTABLISH GOALS WITH YOUR ADVISOR

Start by determining what goals you wish to achieve through your estate plan. At this point, don't worry about how to implement your goals but on identifying specific objectives. Whom do you want your estate to benefit? What gifts do you wish to leave them?

You'll have to consider the needs of your spouse and other dependents including adult children or your own parents. As you plan, divide your goals into needs, wishes and dreams.



STEP
2

CONSULT YOUR ADVISORS

A carefully chosen team of advisors can assist you in putting your estate plans into action. Start with someone you trust, such as your financial advisor, then ask for their help in putting together an effective team.

Your estate planning team should include:

Financial advisors—for strategies to maximize the value of your estate and advice on insurance and investment issues.

Lawyers—for advice on legal issues and drafting the necessary documents and agreements.

Accountants—for strategies to reduce the taxes payable at the time of your death.

STEP
3

DEVELOP YOUR ESTATE PLAN

Developing a comprehensive estate plan involves deciding how you wish to transfer your estate. Once you've listed your objectives, your team can get to work offering different options.

The best estate plans require careful integration of your financial, retirement and business plans. For example, if you plan to have one of your children inherit your business, that child should be appointed as your successor under your business succession agreement. You also need to consider the wishes of the recipients of your gifts and provide for worst-case scenarios, such as a child predeceasing you.



STEP
4

SHARE AND IMPLEMENT YOUR PLAN

Ask your family for input as you're creating your estate plan. You'll want to ensure, as much as possible, that you're giving your beneficiaries the assets they truly want. Once you've finalized your estate plan, decide who should be advised of its details.

- Who needs to know the estate plan?
- How much do they need to know?
- When should they be told?

After sharing your plan, your advisors will help you structure and prioritize the details of its implementation. The steps you and your team take will depend on your particular estate plan's details and goals.

There are many issues that influence how you develop a successful estate plan. Detailed preparation and expert advice will help you create the best plan for you and your loved ones.



Developing the *Best Estate Plan* with the *Best Advice*

Expert advice can help you weigh your choices and make informed decisions.

Estate planning is a fluid, continuous process with many changes along the way, and there'll be details you haven't considered and questions you don't have the answers to right now. Don't let that stop you from starting the planning process.

With in-depth analysis and experience, we can help you create a successful estate plan that encompasses all your personal, professional and business objectives.





To help you get started, consider these questions:

	YES	NO
Do you have a will?	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a power of attorney?	<input type="checkbox"/>	<input type="checkbox"/>
Have you determined the income needs of your spouse and any other family members who are financially dependent on you?	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a buy-sell agreement with the co-owners of your business?	<input type="checkbox"/>	<input type="checkbox"/>
Have you appointed or established a process for selecting a successor for your business?	<input type="checkbox"/>	<input type="checkbox"/>
If you're leaving the business to a family member, have you made plans to leave assets of equal value to other family members?	<input type="checkbox"/>	<input type="checkbox"/>
Have you calculated the tax liabilities your estate will be responsible for at your death?	<input type="checkbox"/>	<input type="checkbox"/>
Will your estate be guaranteed to have enough cash to cover those tax liabilities?	<input type="checkbox"/>	<input type="checkbox"/>
Does your family know the details of your estate plan?		
Does your family know where key documents (i.e. your will and insurance policies) are located?	<input type="checkbox"/>	<input type="checkbox"/>

Your estate plan is too important to overlook. Speak to us today about how we can help you develop an organized, tax-efficient estate plan.



Sources:

¹ Digital assets often overlooked in estate planning, updated Apr. 18, 2017, by Chris Atchison, Special to The Globe and Mail (<https://www.theglobeandmail.com/globe-investor/globe-wealth/digital-assets-often-overlooked-in-estate-planning/article34738097/>)

² Statistics Canada said recently the latest census data indicates seniors now outnumber children in Canada, as the population has experienced its greatest increase in the proportion of older people since Confederation. The 2016 census figures show there are 5.9 million Canadian seniors, compared to 5.8 million Canadians 14 and under.

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