



The Significance of Account Ownership & Beneficiary Designations

Presented by:

Dennis Egel, J.D.

Kristen Wilcox, J.D.

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You should contact your attorney to obtain advice with respect to any particular issue or problem.**



Unintended beneficiaries, unfunded trusts and conservatorships

Why titling your assets correctly matters





The Significance of Account Ownership & Beneficiary Designations

Ownership and Beneficiary Designation Options

- Types of Accounts
 - Checking
 - Savings
 - Money Market
 - Investment accounts
 - Bonds
 - Certificates of Deposit
 - Annuities
 - Life Insurance

The Significance of Account Ownership & Beneficiary Designations

Ownership Options

- Individual Ownership

- Joint Tenancy with Right of Survivorship
 - Not an appropriate vehicle for “convenience” signors
 - Potential gift tax issues (upon withdrawal) with non-spouse joint owner
 - All owners have access to funds during lifetime
 - Funds are subject to creditor claims of all owners
 - Title passes immediately to joint owner upon death
 - Last Will and Testament does not affect transfer of funds upon death
 - Funds are not available for final expenses
 - Disclaimer is required if “convenience” signor was the intent



The Significance of Account Ownership & Beneficiary Designations

Ownership Options

- Alternative to “Convenience Signor” - Power of Attorney
 - Not an ownership option
 - An option for grant of authority during lifetime
 - Authority ends at death

- Revocable Trusts
 - Transfer of assets required
 - Time, energy and patience
 - Trustees and incapacity issues

- Business entities and irrevocable trusts



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Beneficiary Designation Options

- Individual
- Custodian – Uniform Transfers to Minors Act (UTMA)
- Revocable Trust
- Testamentary Trust
- Charity
- Estate (includes failing to name a beneficiary)





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Ownership and Beneficiary Designation Issues

- Unintended Beneficiaries
- Unequal Distributions to Children
- Unfunded Trusts
- Conservatorships
- Lack of Specificity in Beneficiary Designations
- Failure to Confirm Beneficiary Designations



Joint Tenancy and Revocable Trusts

How to Use Ownership and Beneficiary Designations as Estate Planning Tools





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Avoiding Probate and Directing the Distribution of Your Assets

- Avoidance of probate administration
- Not avoidance of taxes
- Most common estate assets include: Homestead, Retirement Accounts, Insurance, Bank Accounts, Investment Accounts
- Account Ownership and Beneficiary Designations as Estate Planning Tools



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Estate Planning Tools

- **Joint Tenancy**
 - Immediate possession of asset upon death of joint owner
 - Gift tax issues if a non-spouse owner is named
- **POD/Beneficiary Designation**
 - Immediate possession of asset upon death of owner
- **Revocable Trust**
 - Creditor notice still applicable
 - Distribution scheme is established
 - Streamlined claims process
- **Special Issues**
 - Oil and mineral rights and timeshares in OTHER states
 - Avoiding Ancillary Probate
 - Real Estate



Retirement accounts and taxes

What to consider when choosing beneficiaries
for retirement assets



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Why we are singling out Retirement Accounts

- Large percentage of total assets
- Special tax rules and distribution requirements
- Accounts are owned individually
- Who to choose as the beneficiary is the focus
- Understanding the impact of the choice of beneficiary



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Types of Retirement Accounts & Beneficiary Options

- Traditional IRA Overview
 - RBD – Required Beginning Date
 - MRD – Minimum Required Distribution (tables)

- Traditional IRA Beneficiary Options and Implications
 - Spouse
 - Children
 - Other Individuals
 - Trusts
 - Estate
 - Charity



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Types of Retirement Accounts & Beneficiary Options

- Roth IRA
 - Spouse
 - Designated Beneficiary

- Employee-Benefit Plans
 - 401K Plans
 - Pension Plans
 - Keogh

