

Senior Moments

Voelz, Reed, & Mount, LLC
knowledge-experience-solutions

Newsletter
July 2016
Volume 10 Issue 4

P.O.D. BENEFICIARY DESIGNATIONS SHOULD I USE THEM?

A P.O.D., or payable on death beneficiary designation can be added to most any investment account or bank account. Adding a P.O.D. beneficiary designation to one of your accounts means that the account will belong to the named beneficiary or beneficiaries after your death. Is this always a good idea? The answer may surprise you!

If all of your bank accounts and investments transfer automatically to named beneficiaries after your death, there may not be enough money in your estate to cover expenses such as your funeral bill or property tax and insurance while your estate is being settled. Having a “dry estate” can make it difficult for your nominated personal representative to properly settle your affairs after your death.

Your Will or Trust will not act upon accounts that have named beneficiaries. Your estate plan can be disrupted if you have named direct beneficiaries on accounts that do not match your intent. For example, if you have established a trust for a young person or disabled person as a part of your estate plan, but you name that person as a P.O.D. beneficiary on your accounts, then the trust for that person’s benefit is never properly funded.

WHEN TO NAME P.O.D. BENEFICIARIES ON ACCOUNTS

There are times when naming P.O.D. beneficiaries on accounts is the best plan. If you have an only child or only one beneficiary in your estate, then setting up all of your accounts with P.O.D. beneficiary designations can work well. You should talk to your estate planning attorney about whether naming P.O.D. beneficiaries is right for you.

Voelz, Reed, & Mount, LLC

We are committed to serving our clients in all aspects of estate and disability planning, estate and trust settlement, elder law, and Medicaid qualification.

Our website has free planning forms, articles, and information about our law firm.

www.voelzlaw.com



**Our office hours are
8:30-5:00**

**Monday
through Friday**

812-372-1303

**Our mission is to
provide the highest
quality legal
services
in a timely,
professional,
caring, and ethical
manner.**

**427
Washington
Street
Columbus
Indiana**

812-372-1303

WANT TO LEAVE A LEGACY? GET TO KNOW YOUR LOCAL COMMUNITY FOUNDATION!

Community foundations exist in many communities in Indiana as well as other states. They are non-profit, publicly supported philanthropic organizations with the long term goal of building permanent, named funds, for the public benefit of the residents in a given area. Making a gift to a community foundation through your estate plan can be a great way to contribute to the community that you love in a way that can have a long-lasting effect.

Our local community foundation in Columbus is known as Heritage Fund – the Community Foundation of Bartholomew County. It is located at 538 Franklin Street in Columbus. Heritage Fund provides grants to local community projects, scholarships to students, and supports a wide variety of local charities.

If you would like to see how your gift can make a big impact in your community, contact your local community foundation and ask to meet with a representative who can help you develop your desire to make a difference.

IS THIS MY LAST WILL AND TESTAMENT?

As your circumstances change in life, think about how those changes affect your estate plan. If you have an outdated Will or Trust, you should make an appointment with an estate planning attorney to have your documents reviewed.

After you have made sure that your estate planning documents are up to date, a very important second step in properly implementing your estate plan is to make sure that you designate beneficiaries of your life insurance, annuities, and retirement plans appropriately. Updating your documents and beneficiary designations will help to ensure your estate is distributed as you had intended after your death.



“My memory is gone Mildred, so I changed my password to “Incorrect.” That way when I log in with the wrong password, the computer will tell me... “Your password is incorrect.”

