HIGHTOWER
Westchester



HIGHTOWER CONVERSATIONS | ESTATE PLANNING

The Estate Planning Checklist Every Young Professional Needs

Life moves quickly, and as young professionals, it's easy to focus on what's right in front of you: your career, family, and daily responsibilities. But what if something unexpected happened tomorrow? Would your loved ones know what to do? Would they have access to the right documents, accounts, and legal authority to act on your behalf?

Estate planning isn't just for retirees or the ultra-wealthy; it's for anyone who wants to ensure their wishes are honored and their loved ones are protected.

These decisions and conversations can be easy to postpone, but taking small steps today provides clarity and ease for both you and those who rely on you. It also helps prevent much bigger challenges later—especially if you have children or own a business.

This checklist is designed to help you take action in a way that feels practical, approachable, and built for the life you have now. If you're a parent or business owner, we've highlighted special considerations for you.

STEP 1 | PUT YOUR LEGAL DOCUMENTS IN PLACE

Making sure your wishes are clearly documented is the foundation of a strong estate plan. Without the right paperwork in place, state laws—not you—determine what happens to your assets and children, and even who can make medical or financial decisions on your behalf.

The good news? Getting these essential documents in place doesn't have to be overwhelming. Whether you're creating a will for the first time or updating an old plan, these legal tools help ensure that your wishes are clear, enforceable, and protected.

- ☐ **DRAFT OR UPDATE YOUR WILL.** A will outlines who inherits your assets and, if you have children, who will care for them if something happens to you.
  - **For Parents:** Have you named a guardian for your minor child(ren) and specified how their financial needs will be met?
  - **For Business Owners:** Have you outlined what happens to your business ownership stake?
- ☐ **CONSIDER A TRUST FOR ADDED CONTROL—AND POTENTIAL TAX EFFICIENCY.** A trust allows you to set conditions for when and how assets are distributed. It can help safeguard beneficiaries from poor financial decisions, divorce, or creditor claims. Because a trust bypasses probate, it can save time and legal fees. Depending on how it's structured, a trust can also offer long-term protection, privacy, and even tax benefits.

- **For Parents:** Have you set up a trust so that your child(ren)'s inheritance is managed responsibly until they reach an appropriate age? Without a trust, assets left to children could have unintended consequences, such as the creation of a legal guardianship, court oversight, and full control of assets at 18 or 21 (depending upon the jurisdiction), regardless of their financial maturity.
- **For Business Owners:** Have you considered how ownership and management of your business would occur in the event of incapacity or death and whether you have the appropriate legal entities in place for a smooth transition? Have you explored irrevocable trusts or grantor retained annuity trusts (GRATs) as part of an advanced estate tax reduction strategy?

☐ **CREATE A LIVING WILL AND HEALTHCARE DIRECTIVE.** These documents outline your medical preferences if you're incapacitated, so that your family isn't left guessing about difficult healthcare decisions.

☐ **REVIEW AND UPDATE BENEFICIARY DESIGNATIONS.** Many assets—including life insurance policies, investment accounts, retirement accounts like 401(k)s and IRAs, and business buy-sell agreements—pass directly to the beneficiaries named on the account, overriding your will. Regular reviews help ensure they align with your current wishes.

- **For Parents:** Have you reviewed your beneficiary designations to reflect your current family situation?
- **For Business Owners:** If you have a buy-sell agreement, is it structured correctly to help protect your business partners and heirs?





STEP 2 | NAME THE RIGHT DECISION-MAKERS

Your estate plan is only as strong as the people—or entities—you choose to execute it. Without trusted individuals or institutions in place to carry them out, your wishes may not be followed as intended. If you don't name them legally, courts will decide for you. Many assume their spouse or parents automatically get these roles—but that's not always the case.

☐ **APPOINT A FINANCIAL POWER OF ATTORNEY (POA).** This person manages your finances, pays bills, and handles investments if you become incapacitated.

- **For Parents:** Who will handle your child(ren)'s finances if something happens to you? If you have adult children (age 18+), have they signed their own financial POA that allows you to step in to assist them in an emergency? Once your child turns 18, you no longer have automatic authority to help with banking, tuition payments, or other financial responsibilities.
- **For Business Owners:** Have you named a separate POA to handle your business affairs?

☐ **APPOINT A HEALTHCARE POWER OF ATTORNEY (POA).** This person makes medical decisions on your behalf if you are unable to communicate. Be sure to also complete a HIPAA authorization form so they can expediently access your medical records and speak with healthcare providers. Without these documents, your loved ones may face legal hurdles and delays during a medical emergency.

- **For Parents:** Who will make medical decisions for your child(ren) if something happens to you? Have you documented emergency contacts and caregivers? If you have adult children (18+), have they signed their own healthcare POA that allows you to step in if a medical emergency or hospitalization arises? Without one, once your child turns 18, you may not have legal access to medical information or the ability to make healthcare decisions for them.

☐ **NAME AN EXECUTOR FOR YOUR WILL.** Your executor administers your estate, settles debts, and distributes assets according to your will. Choosing someone organized and trustworthy can streamline the process and reduce potential conflicts. This role has many responsibilities; it can be time-consuming and stressful. In some cases, a corporate fiduciary may be a good alternative.

- **For Parents:** Is your executor separate from your child(ren)'s caretaker, and would they have time for the role?
- **For Business Owners:** Have you named an executor who understands business finances?

☐ **CHOOSE A TRUSTEE FOR YOUR TRUST(S)** (if applicable). A trustee manages trust assets and distributions. You can appoint an individual—like a family member or close friend—who personally understands your wishes and beneficiaries; or a corporate trustee—like a trust company—who provides professional knowledge, impartiality, and long-term stability, making it a good choice when complex management, ongoing oversight, or protection from family disputes is needed.

- **For Parents:** Have you selected a trustee who can responsibly manage your child(ren)'s inheritance until they're financially mature?
- **For Business Owners:** Does your trustee understand your business succession plan and related financial matters?



STEP 3 | ORGANIZE AND CONSOLIDATE YOUR FINANCIAL AND NON-FINANCIAL ESSENTIALS

A well-organized estate plan includes gathering and storing critical information. When your important documents are organized and accessible, your loved ones and trusted decision-makers can act quickly and without unnecessary stress.

Beyond your legal and financial documents, consider other non-financial essential information, such as doctors, medical details, health insurance contacts, account access, passwords, and personal intentions—all of which should be consolidated and securely stored.

☐ **CREATE A MASTER FILE OF CRITICAL DOCUMENTS.** Keep important documents like your will, trust documents, insurance policies, tax returns, and real estate deeds in one place.

- **For Parents:** Have you included your child(ren)'s birth certificate, medical records, and emergency contacts?
- **For Business Owners:** Do partners or key employees know where to find critical business documents?

☐ **KEEP DOCUMENTS SAFE BUT ACCESSIBLE.** Consider using a fireproof safe and/or secure digital vault to store documents and information safely and accessibly. Inform key people—your executor, trustee, POAs, and financial advisor—where to locate these documents if needed.

☐ **SECURE DIGITAL AND ONLINE ASSETS.** Maintain a digital inventory of important online accounts, including banking, investments, subscriptions, and social media. Use a password manager or create a secure document listing logins and security questions, granting access to someone you trust.

- **For Parents:** Have you documented online medical portals, school accounts, and other digital records related to your child(ren)'s healthcare, education, and activities? Could a trusted guardian or family member access these in an emergency to maintain continuity in their care?
- **For Business Owners:** Have you designated someone to handle digital business accounts, domain names, and client databases?

☐ **CONSOLIDATE AND REVIEW ACCOUNTS REGULARLY.** Young professionals often have many scattered accounts, including retirement accounts from past jobs. Reviewing and consolidating these and other investments or savings accounts with your estate plan in mind offers simplification and ease.

- **For Parents:** Have you set up a 529 plan or trust to help fund your child(ren)'s education, and is it properly documented?
- **For Business Owners:** Have you separated personal and business accounts to help avoid complications in your estate?

STEP 4: REVIEW AND ADJUST AS LIFE HAPPENS

Your estate plan should evolve with you. Major life events—marriage, having children, starting a business, inheriting wealth—can significantly impact your estate planning decisions. Failing to update your plan could lead to outdated or incorrect instructions.

- ☐ **REVIEW YOUR ESTATE PLAN EVERY 3–5 YEARS.** Schedule regular check-ins with your estate planning attorney and financial advisor to make sure your documents and plan are up to date.
  - **For Parents:** Have you updated guardianship designations and adjusted trusts or education savings plans to align with your child(ren)'s age(s) and needs?
  - **For Business Owners:** Has your business succession plan been updated to reflect any changes in ownership, valuation, or key employees?

- ☐ **UPDATE BENEFICIARIES ON ACCOUNTS.** Check to be sure that your retirement accounts, insurance policies, and payable-on-death (POD) accounts align with your estate plan. This may mean removing former spouses or outdated beneficiaries.
  - **For Parents:** Have you made arrangements so that minor children do not inherit assets outright without proper management?
  - **For Business Owners:** Do your business agreements include clear buyout or transfer instructions in the event of your passing?

- ☐ **EVALUATE LIFE AND BUSINESS INSURANCE COVERAGE.** Evaluate whether your life insurance policies align with your current circumstances, goals, and beneficiaries. Determine the right amount of coverage by calculating income replacement, debt payoff, and future expenses. Decide between term life (temporary) and permanent life (lifelong with cash value).
  - **For Parents:** Does your life insurance policy provide enough financial support to replace your salary and meet your family's needs?
  - **For Business Owners:** Have you reviewed key person insurance (KPI), buy-sell-agreements, or liability coverage to help ensure business continuity?

- ☐ **CONSIDER CHARITABLE GIVING.** If philanthropy is important to you, estate planning provides an opportunity to leave a meaningful impact. A charitable remainder trust (CRT) or charitable lead trust (CLT) provides tax benefits while supporting causes you care about. Donor-advised funds (DAFs) allow you to set aside assets for charitable giving while maintaining flexibility. You can also designate specific assets or a percentage of your estate for charity.



STEP 5: TALK TO YOUR PARENTS AND LOVED ONES

Estate planning isn't just about protecting yourself—it's also about understanding the plans of your loved ones, especially your parents. Talking about them now can help avoid confusion, delays, and difficult decisions later.

These discussions can be uncomfortable, but they're crucial. Approaching estate planning–related topics with care, curiosity, and respect can make a big difference.

- ☐ **START THE CONVERSATION AT THE RIGHT TIME.** Set the stage for communication during a relaxed, stress-free moment—not during a crisis. Frame the conversation around everyone's comfort and security.

- ☐ **UNDERSTAND THEIR CURRENT ESTATE PLAN (OR LACK THEREOF).** Do they have a will or trust(s)in place? Do they have clear instructions about healthcare decisions and long-term care preferences?

  - **For Parents:** Have you talked with your parents about who would step in to care for your child(ren) if something happened to you? If they plan to leave assets to your child(ren), have you aligned on how and when those funds should be used/managed?

  - **For Business Owners:** If your parents own a business, do they have a succession plan in place? If not, what role do they expect you or other family members to play in continuing, selling, or closing the business?

- ☐ **DISCUSS KEY FINANCIAL AND LEGAL DETAILS.** Where are important documents like wills, insurance policies, and financial statements stored? Have they designated executors, trustees, or POAs?

- ☐ **OFFER SUPPORT AND NEXT STEPS.** Suggest meeting with a financial advisor or estate planning attorney if they haven't yet formalized their plans. Share your own estate planning experience to make the topic feel less intimidating and more like an ongoing process.



final thoughts

A Plan That Grows With You

Whether you're focused on protecting your family, business, assets, or legacy, estate planning is not a one-time task. It's an ongoing process that should evolve with your life. Taking action today means less stress and fewer complications for your loved ones down the road.

At our practice, we work with professionals, families, and business owners to turn possibilities into plans that work. When you're ready, we're here to help you with your estate planning needs.

Let's start the conversation. Contact us today to take the first step.



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