



ESTATE PLANNING

Why Do I Need an Estate Plan?

Many people think estate planning is only for the wealthy. However, if you have children, investments, property, life insurance, a car, or any belongings, you need a plan. An estate plan helps your loved ones navigate a difficult time and provides answers to important questions such as:

- To whom do you want to pass your personal possessions and property?
- How should assets like savings, real estate, investments, and insurance proceeds be used if you are incapacitated or dead?
- Who will care for your children?
- Who will oversee your finances and health care options if you are unable to?

Basic Estate Planning Documents



- **Last will and testament** — This legal document outlines who should receive assets, act as guardian for any minor children, and name an executor to watch over the process as your wishes are carried out.
- **Power of attorney (POA)** — This legal document gives one person the authority to act on your behalf on legal or financial matters, if you become unable to handle your own affairs. You may choose between a general power of attorney or a special (limited) power of attorney.
- **Living will (advanced medical directive)** — In case of a serious injury or terminal illness, this legal document allows you to describe which medical treatments you do and do not want.
- **Medical power of attorney** — This document allows you to appoint someone to make health care decisions on your behalf, should you become incapacitated.
- **Testamentary/non-testamentary trust** — A legal document used to manage or protect assets and provide privacy, tax planning, and financial benefits for multiple beneficiaries, including children. Trusts also help to avoid the delays and costs of probate court. Those wishing to place assets in a trust are strongly advised to work with an attorney who specializes in estate planning.

Additional Documents



- **Letter of Instruction** — This is not a formal legal document, but typically outlines instructions, requests and important personal or financial information that you wouldn't typically include in your will. Use it to convey your wishes for things you hope will be done.
- **Family Care Plan** — A family care plan guides caregivers by providing important details about child care, school, medical care and family activities. Service members are required to have an official family care plan and keep it updated.
- **Record of Emergency Data** — This document records your wishes about several critical issues, including the following:
 - ☐ How and to whom applicable entitlements are to be distributed if you die
 - ☐ Person Authorized to Direct Disposition (PADD) of your remains if you die
 - ☐ Next of kin to be notified in an emergency



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Additional Considerations



- **Beneficiaries** — A beneficiary is a person or legal entity who will receive benefit in the event of your death. Servicemembers' Group Life Insurance, the Thrift Savings Plan (TSP), the death gratuity program, and Arrears of Pay (AOP) all require you to name a beneficiary.
- **Survivor benefits** — If you die because of an injury or illness incurred or aggravated during your service, your survivors may be entitled to benefits from the Department of Defense and the Department of Veterans Affairs (VA). They may also be entitled to Social Security benefits.
- **Funeral and burial arrangements** — Including funeral and burial arrangements in your estate plan ensures your final wishes are carried out. Your family is also eligible to receive funeral and burial benefits through the VA and Social Security Administration. Contact each of these programs for more information.

Resources:



- **Armed Forces Legal Assistance Legal Services Locator:** The legal services locator (http://www.jag.navy.mil/legal_services/legal_services_locator_rlso.htm) is an online tool for finding the nearest legal assistance office where you can consult with an attorney.
- **U. S. Coast Guard Pay & Personnel Center, Retiree & Annuitant Services (RAS):** Provides personnel and pay support and services. For more information, visit <https://www.dcms.uscg.mil/ppc/ras/sbp/>
- **Defense Finance and Accounting Services:** DFAS (www.dfas.mil) administers the Survivor Benefit Plan and the Reserve Component Survivor Benefit Plan.
- **Military funeral honors:** The Department of Defense provides military funeral honors to family members of eligible veterans. More information is available at www.cem.va.gov/military_funeral_honors.asp.
- **MyPers:** Verify that your Virtual Record of Emergency Data (VRED) is up to date.
- **Servicemembers' Group Life Insurance:** Information on life insurance options, coverage amounts, costs, and more is available online at www.benefits.va.gov/insurance. SGLI/FSGLI updates can be made online via the SGLI Online Enrollment System (SOES). To access SOES, sign in at <https://milconnect.dmdc.osd.mil/milconnect/> and go to the "Benefits" tab, Life Insurance, and SOES-SGLI Online Enrollment System.
- **Thrift Savings Plan (TSP):** Verify that designated beneficiaries of your TSP account are current. Changing beneficiaries (or proportions of TSP allotted to them) requires submission of Form TSP-3. See tsp.gov/PlanParticipation/AccountManagement/beneficiaries.html and <https://www.tsp.gov/forms/tsp-3.pdf>.
- **VA survivor benefits:** The VA survivors' benefits website (va.gov/opa/personal/dependent_survivor.asp) outlines the benefits provided to survivors of Service members and veterans who are deceased or totally and permanently disabled by a service-connected disability.
- **Direct Access (Coast Guard):** Verify emergency data is up to date.