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# **ESTATE PLANNING**

## ***IN PLAIN ENGLISH***

To help you get started preparing your Estate Plan, we are providing you with this informational booklet. This information should help you understand estate planning and know what to expect from working with us by answering questions like:

**What is an estate plan and why should I have one?**

**What happens if I don't have an estate plan?**

**What does the estate planning process look like?**

We also recognize that it may seem like estate planning has its own language. We are also providing you with a glossary of commonly used estate planning terms that you might not otherwise be familiar with.

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# WHAT IS AN ESTATE PLAN?

Let's start with one basic question that often gets overlooked or is misunderstood:

## What is your "estate"?

Strictly speaking, your "estate" doesn't *technically* exist until you pass away, at which point your "estate" is essentially *everything* you owned at the time of your death.

An Estate Plan is, in the simplest terms, a strategy (often consisting of several legal documents) for the preservation and distribution of your estate assets, as well as your own personal care during your lifetime.

A well-crafted Estate Plan accomplishes many goals, but most importantly, an Estate Plan will ensure that:

- 1.) You are properly cared for during your lifetime, even after you are unable to care for yourself;
- 2.) Your assets are protected from avoidable taxes and elder care costs;
- 3.) After your death, your assets are passed to the person(s) of *your* choosing; and
- 4.) Those who are tasked with caring for you and for administering your estate can do so quickly, easily, and at minimum expense.

## Your Estate Plan: a Play in Two Acts

It may be easiest to think of your Estate Plan as a theatrical production that consists of two acts: Act One is a set of documents that are in effect *during your lifetime*, and that protect you and your assets *during your lifetime*; and Act Two, which takes effect *after you pass away*, and protects you and your assets *after your death*.

A major part of Act Two is the probate process. Your entire estate plan is geared towards ensuring that your estate is administered through the smoothest, and least financially burdensome probate process possible.

# **Act 1: Powers of Attorney & Living Will**

As uncomfortable as it may be to think about, statistics show that it is becoming increasingly likely that you will not always be able to properly manage your own assets, or to make your own personal care decisions. This is because of the increasing rate of diagnoses of Alzheimer's and other forms of dementia. In our state alone, the total number Pennsylvanians age 65 and older with Alzheimer's Dementia is projected to increase by 14% between 2019 and 2025. Nationwide, 1 in 3 seniors dies with Alzheimer's or another form of dementia, and between 2000 and 2017, deaths from Alzheimer's have increased 145%, while deaths from heart disease have decreased by 9%.

We share these numbers not to scare you, but for the purpose of demonstrating the importance of planning for your own future, which may involve planning for your own inability to care for yourself.

We *strongly* recommend that all of our clients execute three estate plan documents that are effective during your lifetime:

**Legal/Financial Power of Attorney** – a document in which you appoint someone to be your Agent, authorizing them to handle your assets, such as your property, investments, etc.

**Healthcare Power of Attorney** – a document in which you appoint someone to be your Agent who, in the event of your incapacitation, can make your healthcare decisions for you.

**Living Will** – a document in which *you* direct what scope of medical treatment you wish to receive (or not receive) in the event that you are in a persistent vegetative state, *or* in the event that you incapacitated *and* you are in the end-stage of a terminal condition.

## **What happens if I become incapacitated without an Estate Plan?**

Pennsylvania law prohibits an incapacitated person (a person unable to make or understand their own decisions about their personal care or assets) from executing a new estate plan. This is to say, by the time you *need* an estate plan, it is too late to make one. able to execute estate planning documents.

At this point, then, in order for you and your assets to be cared for properly, then a Judge would need to declare you legally incapacitated, and appoint someone, typically a family member or trusted loved one, to be your Guardian.

This judicial Guardianship appointment process is lengthy, complicated, and expensive, with costs often exceeding several thousand dollars. Even after your Guardian is appointed, the ongoing costs and government regulations and red tape are far more burdensome for you and your Guardian that it would have been for your Agent, had you executed the proper Power of Attorney documents.

## **Act 2: The Last Will & Testament**

The Last Will and Testament (or, more simply, the Will) is a document in which you direct what you want to happen to your assets when you die. While every Will is different, and each is customized to meet the client's estate plan goals, every Will allows you to name:

**Beneficiaries** – Who do you want to receive your assets when you pass away? (This can be as simple as, “Everything to my spouse or kids,” or you can gift specific assets.)

**Executor/Executrix** – Who do you want to manage your Estate when you pass away?

**Guardians** – If you have minor children, who do you want to care for them?

You can also provide burial instructions in your Will (i.e. cremation) and make anatomical gifts (yes, you can donate your body to science). You can even provide instructions for the care of your pets.

You also need to have back up plans! Often, clients will arrive for their initial consultation knowing full well what they want to happen to their assets after they die. Maybe they want everything divided equally amongst their three children. But what if one of those children is pre-deceased? What if that child is pre-deceased and has children of their own? What if they don't have children, but they have a surviving spouse?

An estate plan is exactly that: a plan. And every good plan needs contingencies. What are your back up plans?

### **What happens if I die without a Will?**

If you die without a Will, you are said to have died “intestate”. Dying “intestate” means that neither you nor the Administrator of your estate can decide who can inherit your assets. It is a common misconception that if you die without a Will, your assets will go to the state. This is simply not true. However, if you die without a Will, the state's laws will direct where your assets go, and that may not be what you want.

Pennsylvania has very detailed and rigid intestacy laws that pre-determine what happens to your estate if you die without a will, and which are dependent on your particular family and financial situation. Because the answer to the above question is entirely dependent on a number of factors that are specific to your situation, there is no one answer.

Finally, because a proper estate plan is drafted, in part, to help protect your estate from avoidable and unnecessary costs and taxes, dying without a Will or proper estate plan could potentially cost your estate, and therefore, your family, thousands of dollars, even for an estate of modest size and value.

# PROBATE & ESTATE ADMINISTRATION

Many clients find the estate planning process is made much easier and clearer when they have a fuller understanding of the estate administration process, that is, the process of how your assets are handled and distributed after you pass away.

Let's start at the beginning and remember what it is you are doing when you sign your Will. When you sign your Will, you are naming Beneficiaries (those who are to inherit your assets), and you are naming an Executor, who is responsible for paying your debts and transferring your remaining assets to the proper beneficiaries. (Note: Pennsylvania law uses "Executor" for male, and "Executrix" for female. For simplicity, we'll use just Executor here.)

Your Executor must carry out the provisions in the Will. They are the overseer of all estate property. Your Executor has a legal duty to the beneficiaries of the estate. The Executor must protect and maintain all estate assets to maximize the inheritance of the beneficiaries. This might sound easy, but it is not. It is a difficult job, and administering and settling an estate can take anywhere from a couple months to several years, depending on the complexity of the estate. But remember, our goal in having a good estate plan is to make your Executor's job as easy as possible.

Generally speaking, once you pass away, your Executor must locate your Will (and any other relevant estate plan documents like Trust Agreements, etc.) and take your Will to the Register of Wills in the county where you last resided. At the Register of Wills, your Executor will probate your Will by filing the *original Will* with the Register of Wills, along with other documents an estate administration attorney often helps prepare. As a result of probate, the County formally establishes your Estate, and authorizes your Executor as the legal administrator of your Estate.

In Pennsylvania, probate is a relatively straight forward process (so long as the estate plan is prepared properly). In fact, for many of our clients who pass away, their Executor can complete the probate process in under an hour. At probate, the Executor will receive Letters Testamentary or "Short Certificates." These are official documents from the County that certify that the Executor has the power and authority to handle the decedent's estate. The Executor will need these Short Certificates in order to conduct estate business, such as closing your bank accounts, obtaining date of death values and transferring property. And this brings us to estate property, and the difference between "probate assets" and "non-probate assets."

As you already know, your "estate" is essentially all of the property you own when you pass away. But the assets you own at your death can be divided into two categories: "probate assets" and "non-probate assets". Probate assets are assets that are controlled by and pass through your Will. Non-probate assets, on the other hand, are assets that have a named designated beneficiary, such as life insurance, retirement plans or certain bank accounts. Certain jointly owned property may also be considered non-probate assets, depending on how it's titled. (See "rights of survivorship" in the glossary.) Non-probate

assets pass independent of your Will, and onto the named beneficiary (or joint owner) of that particular asset.

After your Estate is opened at probate, your Executor's job truly begins. They must identify all non-probate assets, identify and collect all of your probate assets, identify and locate all creditors, pay all debts and applicable taxes, and then distribute the remaining assets to the persons entitled to inherit under your Will (the Beneficiaries).

Typically, your Executor must do things like open a bank account in the name of your Estate using a Taxpayer Identification Number to hold liquid property, request the Post Office to forward the decedent's mail, and conduct an inventory of any safety deposit box. They are responsible to ensure that appropriate insurance is maintained on estate assets and arrangements are made to care for any real property. Stocks and marketable securities must be identified and secured, and they may be sold with the proceeds deposited into the estate account.

Then, there are the taxes. Yes, Pennsylvania truly does "get you coming and going." There are four taxing systems to consider and pay, if necessary: The Pennsylvania Inheritance Tax; the Federal Estate Tax; the Decedent's final lifetime income tax returns (Pennsylvania and Federal); and the income tax returns for the estate (Pennsylvania and Federal).

The Pennsylvania Inheritance Tax Return is due within nine (9) months of the date of death, although a five percent (5%) discount may be obtained if a prepayment is made within ninety (90) days of the date of death. The Pennsylvania Inheritance Tax Rate depends on the relationship between the decedent and the beneficiary to whom the assets are passing. Under present law, there is no Pennsylvania Inheritance Tax on assets that pass to the decedent's spouse. Assets which pass to the decedent's children are taxed at the rate of 4.5%. Assets that pass to the decedent's siblings are taxed at the rate of 12%. Assets passing to other persons (e.g., friends, cousins, nieces or nephews, etc.) are taxed at the rate of 15%. The Federal Estate Tax Return, if any is required, is also due within nine (9) months of the date of death. The Federal Estate Tax generally affects only large estates with assets in the millions of dollars, and the tax rates are quite high, with an upper rate of 45%.

Estates may be concluded in one of two ways. First, a formal accounting may be filed with the Court for approval of the estate administration and distribution. Second, if all beneficiaries are in agreement, they may each sign a "Receipt and Release" that our office would prepare and which would approve the administration and distribution of the estate. The formal accounting can be a rigorous, time-intensive, and costly process, and generally is used only when serious disputes have arisen amongst the beneficiaries causing them to refuse to sign a Receipt and Release.

We hope this helps put into context and perspective what purpose an estate plan serves, and the importance of having a well-thought out, well-crafted estate plan. If you have any questions about any of this process, please do not hesitate to ask.

# ESTATE PLANNING ROAD MAP

This section is intended to provide you with an overview of what you can expect during your estate planning process.

**Step 1: Schedule an Initial Consultation.** If you haven't already done this, please call or email us to schedule your initial consultation. Expect this to last approximately 60 minutes.

**Step 2: Read and familiarize yourself with this *Estate Planning in Plain English* booklet, and deliver to our office the following documents and information:**

- Your completed Client Asset Summary form
- Copies of any existing will, trust agreement, power of attorney, and living will you may already have.

You can deliver this information to us by email, fax, USPS, or hand delivery. Providing us with this information in advance of your initial consultation allows us to become more familiar with you, your family, your assets, and your estate planning goals before you even walk in the door, thus saving you time and money.

**Step 3: Initial Consultation.** At this consultation, we will:

- Review the Client Asset Summary form;
- Recommend a customized estate plan that is optimized according to your particular situation and goals;
- Answer any questions you may have; and
- Schedule your next visit to sign your estate plan documents (Document signing appointments are typically scheduled about 2-3 weeks after your initial consultation)

**Step 4: We will draft the necessary documents for your estate plan and send them to you for your review.** Of course, email is often the fastest method of delivery, but if you prefer for your documents to be sent via USPS or if you prefer to stop by the office and pick up the drafts yourself, please let me know!

**Step 5: Review the drafts, and notify us of any errors or necessary revisions.** The goal in having you review the documents in advance of your document signing appointment is to ensure that your next visit goes as smoothly as possible, so please call us with *any* questions or concerns about the documents we send you.

**Step 6: Visit us again for your document signing appointment.**

**Step 7: Breathe easy. You have an estate plan!**

# GLOSSARY OF COMMONLY USED TERMS IN ESTATE PLANNING

Much of the language used in estate planning is pretty archaic, and can be unfamiliar to most clients. Here is a glossary of terms you may see in this booklet, and which your attorney may use in your estate planning discussions.

<b>Administrator</b>	The individual appointed by the Court to manage an Estate if no Executor or Personal Representative has been appointed or if the named Executor or Personal Representative is unable or unwilling to serve. Typically, an Estate will only have an Administrator if the Decedent died without a Will. Otherwise, most Estates will be administered by one or multiple Executors/Executrices, who are appointed in the Decedent's Will.
<b>Advanced Healthcare Directive</b>	Also known as a Living Will, this is a document that allows you to protect your right to refuse medical treatment that you do not want, or to request certain treatment that you do want, in the event that you lose the ability to make decisions for yourself, and you are in a terminal, persistent vegetative state.
<b>Agent</b>	The person named under a Legal/Financial Power of Attorney or Healthcare Power of Attorney to handle the affairs of another or to make personal care decisions on behalf of another.
<b>Assets</b>	Essentially, anything you own, including your home and other real estate, bank accounts, life insurance, investments, furniture, jewelry, art, clothing, and collectibles.
<b>Beneficiary</b>	A person who will receive the benefit of property from an Estate or Trust through the right to receive a bequest or to receive income or trust principal over a period of time.
<b>Codicil</b>	A formally executed document that amends the terms of a Will so that a complete rewriting of the Will is not necessary. NOTE - We almost <i>never</i> recommend Codicils for our clients. Almost every single change to a Will is best served by simply executing an updated Will.
<b>Contest</b>	To dispute or challenge the terms of a will or trust.
<b>Custodian</b>	Person named to manage assets left to a minor under the Uniform Transfer to Minors Act. In most states, the minor receives the assets at legal age.
<b>Decedent</b>	An individual who has died.
<b>Deed</b>	A document that lets you transfer title of your real estate to another person(s).
<b>Disclaim</b>	To refuse to accept a gift or inheritance so it can go to the recipient who is next in line.
<b>Disinherit</b>	To prevent someone from inheriting from you.
<b>Donee</b>	A person who receives a gift
<b>Donor</b>	A person who gives a gift.

A "Durable" Power of Attorney is a Legal/Financial Power of Attorney or Healthcare Power of Attorney that does not terminate upon the incapacity of the person making the Power of Attorney. Just about every Power of Attorney we include in an Estate Plan is a Durable Power of Attorney, and therefore does not terminate, and is in effect until you pass away.

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<b>Equity</b>	The current market value of an asset less any loan or liability.
<b>Estate</b>	Assets and debts left by an individual at death.
<b>Estate Plan</b>	A person's strategy the administration of his or her assets upon his or her incapacity or death. This strategy often includes the preparation and execution of legal documents such as a Last Will and Testament, Powers of Attorney, and others.
<b>Estate Planning</b>	A process by which an individual designs a strategy and executes a Will, Trust agreement, or other documents to provide for the administration of his or her assets upon his or her incapacity or death. Tax and liquidity planning are part of this process.
<b>Estate Tax</b>	A federal tax imposed on a decedent's transfer of property at death. This is not to be confused with state inheritance tax. The Estate Tax threshold is currently at \$11,580,000.
<b>Executor / Executrix</b>	A person named in a Will and appointed by the Court to carry out the terms of the Will and to administer the Decedent's Estate. May also be called a Personal Representative. If a female, may be referred to as the Executrix.
<b>Fiduciary</b>	A fiduciary is a person or organization that acts on behalf of another person or persons to manage assets.
<b>Fiduciary Duty</b>	A duty owed by a Fiduciary (or Agent) to another (Principal), that includes a duty of good faith and trust, and a legal requirement that the Fiduciary/Agent act only in the other's best interests.
<b>Gain</b>	The difference between what you receive for an asset when it is sold and what you paid for it. Used to determine the amount of capital gains tax due.
<b>Gift</b>	A transfer from one individual to another without fair compensation.
<b>Grantor / Settlor / Trustor</b>	The person who sets up or creates a Trust. The person whose Trust it is. Also called creator, settlor, trustor, donor or trustmaker.
<b>Gross Estate</b>	The value of an Estate before debts are paid.
<b>Guardian</b>	An individual by a Court to act for a minor or incapacitated person (the "Ward"). A Guardian of the person is empowered to make personal decisions for the Ward. A Guardian of the property (also called a "committee") manages the property of the Ward.
<b>Guardian of the Estate</b>	Individual appointed by a Court to manage the property of a minor or an incapacitated person (the "Ward").
<b>Guardian of the Person</b>	Individual appointed by a Court who is empowered to make personal decisions for the Ward.
<b>Health Care Power of Attorney</b>	A document that appoints an individual (an "Agent") to make health care decisions when the grantor of the power is incapacitated.
<b>Heir</b>	An individual entitled to a distribution of an asset or property interest under applicable state law in the absence of a Will. "Heir" and "Beneficiary" are not synonymous, although they may refer to the same individual in a particular case.

<b>Incapacitated</b>	An incapacitated person is a person who is unable to manage his or her own affairs, either temporarily or permanently.
<b>Inheritance</b>	The assets received from someone who has died.
<b>Inheritance Tax</b>	Pennsylvania imposes a tax on inheritance from a decedent. The inheritance tax rate imposed on a testamentary gift is not determined by the value of the gift, like income tax would be, but rather, the tax rate is determined by the relationship between the donee and the donor. That is, the inheritance that a child may receive from a parent would be taxed at 4.5%, whereas the inheritance that a sister may receive from a brother would be taxed at 12%.
<b>inter vivos</b>	Latin term that means "between the living." An inter vivos Trust is created while you are living instead of after you die, and an inter vivos gift is a gift made during your lifetime, instead of after you die (which is referred to as a testamentary gift).
<b>Intestacy</b>	The condition of an Estate of a person who dies without a Will. When someone dies intestate (without a Will), then their assets will pass as determined by the Pennsylvania Intestacy Law.
<b>Intestate</b>	Without a Will.
<b>Intestate Law</b>	Pennsylvania law that determines what happens to the assets of a person who has died intestate (or, without a Will).
<b>Irrevocable Trust</b>	A Trust that cannot be changed (revoked) or cancelled once it is set up. Opposite of Revocable Trust.
<b>Issue</b>	The lawful, lineal descendants of an ancestor. Your issue are your children, your children's children, etc.
<b>Joint Tenants with Rights of Survivorship</b>	A form of joint ownership in which the deceased owner's share automatically and immediately transfers to the surviving joint tenant(s). (see Rights of Survivorship)
<b>Last Will and Testament</b>	A legal document that states what is to happen with your assets after you pass away, and who you wish to appoint as your Executor/Executrix, who will be responsible for making that happen.
<b>Letters Testamentary</b>	Documents issued by the County Register of Wills to the Executor/Executrix, which give the Executor/Executrix the authority to act as the administrator of the Estate. An Executor/Executrix will typically need to present these Letters (aka Short Certificates) to institutions like banks, etc. as proof that they are legally authorized to handle the decedent's assets.
<b>Life Estate</b>	The interest in property owned by a life beneficiary (also called life tenant) with the legal right under state law to use the property for his or her lifetime, after which title fully vests in the remainderman (the person named in the deed, trust agreement, or other legal document as being the ultimate owner when the life estate ends).
<b>Liquid Assets</b>	Cash and other assets (like stocks) that can easily be converted into cash.
<b>Liquidity</b>	The degree to which an asset can be quickly sold and converted into cash.
<b>Living Trust</b>	A Trust created by an individual during his or her lifetime, typically as a Revocable Trust. Also referred to as an "inter vivos" Trust, "Revocable Living Trust" or "Loving Trust."
<b>Living Will</b>	A written document that states you do not wish to be kept alive by artificial means when the illness or injury is terminal.

<b>Net Estate</b>	The value of an Estate after all debts have been paid. (Federal estate taxes and Pennsylvania Inheritance Taxes are based on the net value of an estate.)
<b>Non-Probate Assets</b>	A non-probate asset is an asset that will pass directly to a designated beneficiary <i>without</i> the need for probate. This is an asset that is <i>not</i> controlled by a Will (as opposed to a probate asset). Examples of non-probate assets include IRA's, 401(k)'s, certain jointly owned property with rights of survivorship, etc.
<b>Payable on Death</b>	A bank account that will transfer to the beneficiary who was named when the account was established. The terms "transfer on death" ("TOD"), "in trust for" ("ITF"), "as trustee for" ("ATF"), and "pay on death" ("POD") often appear in the title.
<b>Personal Property</b>	Movable property. Includes furniture, automobiles, equipment, cash and stocks. Opposite of real property that is permanent (like land).
<b>Principal</b>	In a Power of Attorney document, the Principal is the person who appoints the Agent to act on the Principal's behalf. So, if you were to execute a Power of Attorney, you would be considered the Principal.
<b>Probate</b>	The legal process of validating a Will, paying debts, and distributing assets after death.
<b>Probate Assets</b>	The assets that go through probate after you die. Usually these include assets you own in your name and those paid to your estate. Usually does not include assets owned jointly, payable-on-death accounts, insurance and other assets with beneficiary designations. Assets in a Trust also do not go through probate.
<b>Property Power of Attorney</b>	Authorization, by a written document, that one individual may act in another's place as Agent or attorney-in-fact with respect to some or all legal and financial matters.
<b>Real Property</b>	Land and property that is permanently attached to land (like a building or a house).
<b>Residue (or Residuary Estate)</b>	The property remaining in a decedent's Estate after payment of the Estate's debts, taxes, and expenses and after all specific gifts of property and sums of money have been distributed as directed by the Will. Also called the residuary estate.
<b>Revocable Trust</b>	A Trust created during lifetime over which the Grantor reserves the right to terminate, revoke, modify, or amend.
<b>Rights of Survivorship</b>	When an asset is jointly owned by two or more people "with rights of survivorship," this means that in the event that own joint owner dies, the surviving joint owner(s) automatically retains ownership of the asset. For example, if John and Jane own a joint bank account as rights of survivorship, and then John dies, Jane will <i>automatically</i> own the entire bank account, regardless of what John's Will says. On the other hand, if the account is jointly owned <i>without</i> rights of survivorship, then 1/2 of the account (John's interest) will be part of John's estate, and will be controlled by John's Will.
<b>Short Certificate</b>	See Letters Testamentary
<b>Special Needs Trust</b>	An SNT is a special type of Trust that allows for a physically or mentally disabled or chronically ill person to receive income without reducing their eligibility for the public assistance disability benefits provided by Social Security, such as Supplemental Security Income, Medicare, or Medicaid.

<b>Specific gifts/bequests/devises</b>	A separate listing of special assets that will go to specific individuals or organizations after your incapacity or death. Also called special bequests.
<b>Successor Agent</b>	In a Power of Attorney document, a Successor Agent is an individual who would take over as Agent in the event that the Primary Agent were to resign, become incapacitated, or pass away.
<b>Surrogate</b>	A person you may appoint in your Living Will who may make decisions regarding life sustaining treatment for you if you are ever both incompetent, and either terminally ill or permanently unconscious, <i>and</i> your Living Will does not specifically address the particular decision. NOTE: Your Surrogate <i>may not</i> override a directive in your Living Will, and may <i>only</i> act with authority in the event that you are faced with a decision that is not specifically addressed in your Living Will.
<b>Surviving [spouse/child/sibling/family member]</b>	The [spouse/child/sibling/family member] who is living after one spouse has died.
<b>Tenants by the Entireties</b>	A form of joint ownership in some states between husband and wife. When one spouse dies, his/her share of the asset automatically transfers to the surviving spouse. Note - Tenants by the Entireties functions the same as Joint Tenants with Rights of Survivorship, but Tenants by the Entireties is a form of ownership available <i>only</i> married couples.
<b>Tenants in Common</b>	A form of joint ownership in which two or more persons own the same property. At the death of a tenant-in-common, his/her share transfers to his/her heirs.
<b>Testamentary Gift</b>	A gift made through a Will, Trust, or other distribution upon one's death. (As opposed to an inter vivos gift which is made during one's lifetime)
<b>Testamentary Intent</b>	A person's intention with respect to how their affairs should be handled after they die.
<b>Testate</b>	One who dies with a valid Will.
<b>Testator</b>	A person who signs a Will. If a female, may be referred to as the Testatrix.
<b>Transferable on Death</b>	A beneficiary designation for a financial account (and in some states, for real estate) that automatically passes title to the assets at death to a named individual or revocable trust without probate. Frequently referred to as a TOD (transfer on death) or POD (payable on death) designation.
<b>Trust</b>	An arrangement whereby property is legally owned and managed by an individual or corporate fiduciary as trustee for the benefit of another, called a beneficiary, who is the equitable owner of the property.
<b>Trustee</b>	The individual or bank or trust company designated to hold and administer trust property (also generally referred to as a "fiduciary"). The term usually includes original (initial), additional, and successor trustees. A Trustee has the duty to act in the best interests of the Trust and its beneficiaries and in accordance with the terms of the Trust instrument. A Trustee must act personally (unless delegation is expressly permitted in the trust instrument), with the exception of certain administrative functions.

**Uniform Transfers to Minors Act**

A law enacted by some states providing a convenient means to transfer property to a minor. An adult person known as a “custodian” is designated by the donor to receive and manage property for the benefit of a minor. Although the legal age of majority in many states may be 18, the donor may authorize the custodian to hold the property until the beneficiary reaches age 21. Formerly called the Uniform Gifts to Minors Act.

**Ward**

A person (often a minor or incapacitated person) who is under the care of a court appointed Guardian.

**Will**

A writing specifying the beneficiaries who are to inherit the testator’s assets and naming a representative to administer the estate and be responsible for distributing the assets to the beneficiaries.