

TYPES OF ASSETS AND HOW THEY TRANSFER AT YOUR DEATH

THING 1 ASSETS NON-PROBATE

Assets automatically transfer upon your death.

- insurance with a designated beneficiary
- retirement accounts with a designated beneficiary
- assets held in trust
- bank accounts held jointly or with a payable on death designee
- business interests (stocks, membership interests, and mutual funds) held jointly or with a transfer on death designee
- real estate owned together with survivorship rights, owned by others in which you have retained a life estate, or which you have recorded a transfer on death deed
- titled personal property, like a vehicle, owned together with survivorship rights or which you have registered a transfer on death designee

IS AUTOMATIC, EFFICIENT?

Think the transfer through. Will immediate ownership be the most efficient transfer? Can the recipient manage the asset? How will your final expenses be paid? How will people locate your assets? Are the effects of the transfer how you want it to be?

THING 2 ASSETS PROBATE

“Stuck”. Any asset that does not say where it goes. In other words, anything that is not a non-probate asset. By default, these assets are owned by your “estate”.

SO HOW DO PROBATE ASSETS TRANSFER?

- Depending on the rules of your state, the types of assets you have and the amount of assets, the process to transfer assets could be a simple collection with a short legal statement or require a court action to appoint a personal representative and confirm the validity of the will.
- If a will exists, the will governs where the assets go.
- If a will does not exist, the state fills in the blanks with “intestacy” laws, its presumptions of where you wanted your assets to go and who you would have wanted to be responsible for getting it there.