



## AIR FORCE FINANCIAL READINESS

# Estate Planning

If you own property of any kind that will continue to exist even if you cannot use that item—for example, a house, a car, or a savings account—you have an estate. If you have an estate, you should also have a sound and complete plan for what you want done with the property in the event something happens to you. Good estate plans answer important questions in advance of need, such as:

- What should be done with your personal possessions?
- How should assets like savings, real estate, investments, and insurance proceeds be used if you are incapacitated or die?
- Who will care for your children?
- Who will oversee your finances and health care options if you are not able to do so?



### Elements of an Estate Plan

Estate planning helps provide peace of mind. You know you have provided for loved ones so they are cared for in a way you want and in an orderly process that saves them time and money.

Some elements of an estate plan—starting with a will—are strongly recommended for service members with children. As a parent, you and your spouse will want to decide who raises your children in the event of both parents' deaths. Your will should designate legal guardians for surviving children.

Other important elements may include:

- **Last will and testament:** With this legal document, you dictate your wishes about what happens to what you leave behind after your death. Without a will, state law governs how your property will be distributed and who should be responsible for the care of your children.
- **Power of attorney:** 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.
- **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. You can also designate the person you prefer to make medical decisions for you when you are unable to do so.
- **Long-term care:** It is important to plan ahead for care that you may need if you develop a disabling or chronic illness and can no longer care for yourself. If you have a long-term care insurance policy, be sure to include it with other estate documents.
- **Testamentary/Non-testamentary trust:** A trust is 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.
- **Servicemembers' Group Life insurance:** Service members have life insurance through Servicemembers' Group Life Insurance (SGLI). Family members are covered under Family

Servicemembers' Group Life Insurance (FSGLI). Depending on the benefit amount you want to provide to your family, you may want to supplement your SGLI with another life insurance policy. Include a copy of current beneficiaries on file with all insurers.

- **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). Some benefits are automatic, but your family must apply for others.
- **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.



## Estate Planning Resources

Several important legal documents make up your estate plan, and you'll need to give each one the time and attention it deserves. Contacting an estate planning attorney at your installation's legal assistance office is a good first step in getting together a will and other pieces of an estate plan. The following organizations can provide additional information and assistance:

- **Armed Forces Legal Assistance Legal Services Locator:** The legal services locator (<http://legalassistance.law.af.mil/content/locator.php>) is an online tool for finding the nearest legal assistance office where you can consult with a legal assistance attorney. This is a joint effort of the legal assistance divisions of the Judge Advocate General's Corps of the Army, Marine Corps, Navy, Air Force, and Coast Guard.
- **Defense Finance and Accounting Services:** DFAS (<https://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 of the uniformed services. More information is available at [https://www.cem.va.gov/military\\_funeral\\_honors.asp](https://www.cem.va.gov/military_funeral_honors.asp).
- **MyPers:** Verify that your virtual Record of Emergency data (VRED) is up-to-date by logging in at <https://mypers.af.mil>.
- **Servicemembers' Group Life Insurance:** Get information on life insurance options, coverage amounts, costs, and more on the VA insurance website (<https://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://www.dmdc.osd.mil/milconnect> and go to the "Benefits" tab, Life Insurance SOES-SGLI Online Enrollment System.
- **Thrift Savings Plan (TSP):** Verify that designated beneficiaries of your TSP account are up-to-date. Changing beneficiaries (or proportions of TSP allotted to them) requires submission of Form TSP-3. See <https://www.tsp.gov/PlanParticipation/AccountManagement/beneficiaries.html> and <https://www.tsp.gov/PDF/formspubs/tsp-3.pdf>.
- **VA survivor benefits:** The VA survivors' benefits website ([http://www.va.gov/opa/persona/dependent\\_survivor.asp](http://www.va.gov/opa/persona/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.

If you're not sure where to start in the estate planning process, take advantage of Military OneSource's free financial counseling (<http://www.militaryonesource.mil/financial-counseling>).