

Estate Planning is an Act of Stewardship

Estate planning may be the single most important act of stewardship that most of us as Christians will ever perform.

Appropriate estate planning is beneficial to almost everyone. Whether we are in our senior years, contemplating retirement, or younger with a growing family, estate planning boils down to determining how, when, and to whom we will transfer the stewardship of what God has entrusted to us when we can no longer serve as stewards ourselves.

Every year, the vast majority of Americans who die do so without having prepared a valid estate plan. For the past three decades, the numbers have been between 70 and 80 percent. This statistic is astounding, since the U.S. tax code provides significant incentives to prepare an estate plan. These incentives are designed to make it easy for very personal wishes to be known and followed—for instance, wishes that deal with child custody, property distribution, or leaving a legacy of Christian values. In addition, a careful estate plan will often minimize costs related to settling the estate.

What is it about the preparation and declaration of one's personal wishes that Americans avoid in such resounding numbers?

Several typical reasons continually arise:

Distaste for legal documents - Many people seem to have a built-in dislike of legal documents. Such documents tend to be long and difficult to understand. However, compared to the legal intricacies of settling an estate without a plan, a well-defined estate plan is easy to prepare and understand. Most attorneys will gladly provide a summary of the contents of an estate plan to ensure that the documents meet your objectives.

Lack of understanding of God's directives for stewardship - throughout Scripture, you will find references that speak clearly about what we are to do with the resources God provides us. It is very important to understand God's Word on stewardship. In the Bible, there are 40 verses on baptism, 275 on prayer, 350 on faith, 650 on love and 2,350 verses that relate to finances and personal possessions. "Honor the LORD with your possessions, and with the first fruits of all your increase;" - Proverbs 3:9 "But do not forget to do good and to share with others, for with such sacrifices God is well pleased." - Hebrews 13:16.

Life gets in the way - The single biggest reason people fail to prepare an estate plan may fall into the category of "life just gets in the way." For some, the day-to-day routine is "too busy" to develop an estate plan. For others, it is "no one can know the future" - the notion that so much may change between today and the time of one's death.

While all of the reasons for procrastinating are understandable, none lessens the reality that the absence of an estate plan can have a devastating impact on an estate and the remaining family members.

A proper estate plan should accomplish the following:

- Express God's plan for stewardship
- Transfer the assets with which God has entrusted you to individuals and charitable beneficiaries
- Transfer your estate in a tax-efficient manner with as little heartache, cost, and delay as possible.

The completion of an estate plan provides a sense of satisfaction in knowing that one's wishes will be followed and can relieve stress and uncertainty for remaining family members. To discuss estate planning, contact your Presbyterian Foundation Ministry Relations Officer, or call us at 800-858-6127.