

## Have you spoken to your parents about inheritance?

Each of us knows an inheritance nightmare story.

Children who are normally congenial have been known to fight over money and keepsakes the very day their beloved parent is laid to rest. The situation can be worse when a parent dies after a second marriage.

One woman, now 87-years-old, still shivers when she recalls how her step-children descended on her apartment when her second husband died. "They rifled through drawers and closets, looking for jewelry, money and anything of value," she says. "They had no regard for my relationship with their father or the fact that they were trespassing in my home."

Now is the time for children to take steps to avoid scenes like this in the future. According to recent research, your parents want to talk about inheritance and get things settled, but may not know how to start the conversation. A survey by Mathew Greenwald & Associates, a Washington, D.C. think tank, found that 75 percent of parents without wills wanted to have the conversation with their children. Unfortunately, their children are reticent. The same research reported that only 45 percent of adult children wanted to talk about it with their parents.

Steps you can take:

1. Find out if your parents have a will, a living will, durable power of attorney, trusts or other end-of-life documents. If they don't, encourage them to prepare these documents for the sake of family unity.
2. Talk to your siblings. Sometimes parents tell one child something and don't share it with another, causing problems after they're gone. Avoid the common situation where one child says, "Mother wanted me to have her wedding ring," and the other says, "But she never told me that!"
3. Download inventories and worksheets from financial planning web sites or internet search engines. It's hard to think of the right questions to ask, because the conversation will be emotional. A tip sheet can help steer the discussion.
4. Initiate the conversation with your parents. They want to talk, but may be waiting for you to be ready. It might start out awkwardly, but remember that you are doing them (and yourselves) a favor by lessening their anxiety or future family tension over transfer of their estate.
5. Put it in writing. Experts recommend that parents put in writing as many directives and wishes as possible, even if it is not a legal document. Said one elderly parent: "I've seen enough to know that normally congenial siblings can fight like cats and dogs over something (in an estate) that isn't

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spelled out. You're doing yourself a favor by talking to your parents about wealth transfer ahead of time."

One study predicts that over the 55-year period from 1998 to 2053, a minimum of \$41 trillion will pass from one generation to the next. What are you doing to ensure that the transfer affecting you and your siblings will be smooth?

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