

## **When to Update Your Will**

People often ask me how often they should update their will. I think a person at least think about their will needs updating at least once every five years. Wills should be updated after certain major life events. Here's a list of some of those major life events:

### **Birth of a child**

Wills are essential for anyone who has recently become a parent to appoint guardians for the care of children if both parents should pass away.

### **Marriage or Remarriage**

Wills made before marriage are cancelled automatically when a person marries unless the will specifically says otherwise. Until a new will is made, provincial intestacy laws will determine how a married person's estate is distributed. Second marriages often present unique estate planning concerns, particularly if one of the parties has children from a prior relationship.

### **Separation or divorce**

Wills are not cancelled by separation or divorce. Unless you plan on leaving your estate to your ex-partner, a new will is a must.

### **Death of a spouse**

The death of a spouse is a major loss and almost always impacts on your estate plan. An estate review following the death of a spouse might identify improved methods of holding your assets as well as providing an opportunity to make changes to your planned distribution.

### **Child develops a disability**

Parents of dependent adult children have special responsibilities towards that child under provincial legislation. Parents of a dependent adult child are required to make appropriate provision in their wills for the child.

### **Beneficiary develops an addiction**

Addictions to alcohol, drugs or gambling can seriously impair the ability of an individual to handle money, especially large sums of money like an inheritance. If you have such a person in your family, you may wish to provide for them by means of a trust rather than an outright gift from your estate.

### **Executor moves away from Canada**

Significant tax consequences can arise if your executor is not a Canadian resident. If your executor has relocated out of Canada, you should name a new executor.

### **Death or disability of Executor**

If your will is old, your executor may have passed away or developed a disability that prevents them from effectively administering your estate. If you've named young persons (such as your minor children) as beneficiaries of your estate, remember that your executor's responsibilities will continue for a number of years.

### **Children become responsible enough to act as Executor**

Wills are often made at a time when children are young. As your children mature, you may wish to appoint one or more of them as your executor.

### **Changes in your financial position**

Your estate plan may change if your financial position changes. If your net worth has substantially increased since you first made your will, you may have estate planning opportunities available to you that were previously unavailable. Families whose net worth exceeds two million dollars may have significant tax planning opportunities available to them. You should inquire with your professional advisors to determine if any of these may apply to you.

Wills tend not to be at the forefront of a person's mind, so most people don't think about them very often. Some people think that once made, a will can be forgotten about. Wills, however, are living documents (there's a pun in there somewhere I'm sure) that are always speaking. Chances are high that the longer you've had it, you're will should be saying something different. Think about it today.