

Who do you love more, the government or your family?

Agent Report by Vince Creo

That is the question. Who do you love more, the IRS/state of New Jersey or your family? Poor planning ahead of time causes the government to get a great deal more of your hard earned nest egg.

First thing you have to do is ask yourself, "When I'm gone who do I want to get my stuff and my money?" Then you need to plan to do so.

I recently had to tell a 70 year old that when he dies, the money in his annuity will be taxable to his heirs. He didn't know that the gain, (the interest earned), was taxable at the time of the distribution. He also didn't know that the remainder of his 401K, however much will be there, is also taxable to beneficiaries. (And that if those heirs are under 59 ½, they also pay a 10% penalty to the IRS). Lastly, he didn't know that when he dies, (as he expects to go before his wife), that she will lose her social security check, (she will get his since it is larger, but the surviving spouse only gets one check not both).

Retirement is not about how much you have. It's about replacing the income you used to make when you work. Dying without a will, (Intestate), means that you don't even get to decide who gets your stuff. A judge at the surrogate's court will appoint an attorney, at \$150-\$200 an hour to figure out what you have and who should get it. One thing to remember that even with a will you go through probate, but you can lower probate fees by properly structuring some of your assets so that they don't go through probate. Ask your agent how we can make that happen.

Estate planning is not just about where will we be buried, it's about how to get the assets that you want to leave to your heirs, (kids, grandkids, charity), to those beneficiaries without the government taking a large piece, (or any piece). Father McGivney's dream was that no Catholic family would suffer financially from the loss of a loved one.....today I think he would also want every Catholic family to keep as much of their hard earned assets as they legally can.

These are the topics that your Knights of Columbus insurance agent can help you with. That way, the people you love and not Trenton or Washington will get your assets when you pass.

Protecting Catholic Families since 1882.