

Banking Strategies to Consider for Legacy Planning

By: Kevin Ertl, Vice President, Private Banking Relationship Manager

"Timing is everything." You've said it yourself. And where legacy planning is concerned, there's no better time than now to plan for your future. It's so easy to put off the process — no one likes to think about their mortality, let alone talk about the possibility of incapacitation or how and when they'll die.

However, regardless of how old you are or how much wealth you've accumulated, you probably want to make sure the assets you leave behind after you're gone will continue to support your loved ones and the important causes in your life. But making sure your legacy passes on according to your wishes doesn't happen without some effort on your part — and it might require the assistance of qualified financial, tax, and legal advisors along the way.

Whether you're in the planning stages or are reviewing an existing estate plan, you may want to consider the following banking tips.

Make these banking moves part of your strategy

1. Make sure you have structured your accounts for ease of day-to-day processing. You can choose typical account titling, whether it be in one person's name, jointly titled with multiple account owners, or titled in the name of a trust.
2. Keep in mind banking accounts can have a payable on death (POD) designation to a beneficiary of your choosing. This is an especially important consideration if your account is titled in an individual name. By naming beneficiaries to your various accounts, those assets will, in most cases, transfer to the named beneficiaries without going through probate.

This is a good thing for several reasons:

- Probate is a public process, thus allowing outside parties to potentially gain information on the nature of your assets or the value of your estate.
- The probate process comes with a cost — it can be significant, depending on the total value of the assets in your estate.
- The probate process can be long and cumbersome.

Now Is the Time to Protect Your Wealth for the Future

"Protecting your assets is always a top priority of any fiduciary. It is never too early to put in place a plan with the desired structure — but it can be too late to make changes if an individual passes away or is deemed incapacitated. The title of your bank accounts, among other things, may be an issue if the accounts are not titled in a way that will allow for distribution of your assets according to your wishes."

- Kevin Ertl, Private Banking Relationship Manager



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3. Titling multiple accounts differently is common. Some individuals who establish revocable trusts decide to title one account in their personal name and another account in the name of their revocable trust. They do this because they receive distributions such as stock dividends, checks made payable to the trust, etc., and financial institutions want the items presented to match the titling of their accounts. This allows for ease of handling in day-to-day activities.
4. If you make changes to your estate plan or adjustments to your trust documents, be sure the current titling on your bank accounts matches the names set forth in the most current documents you have in place.

Next steps

During legacy planning, you can encounter many uncertainties associated with the decision-making process. Discussing your goals with your financial advisor is a great first step in ensuring your estate is protected and your legacy is passed on according to your wishes. Call us today.

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Kevin is a private banking relationship manager for Commerce Trust Company. As a member of the private client team and an experienced, tenured private banker, he and his dedicated client support staff are responsible for ensuring each client's experience with Commerce Trust exceeds expectations. Kevin's specific responsibilities include management of our clients' day-to-day banking, cash management, and credit needs, while also helping them navigate the wide array of our financial services to find the solutions that best fit their needs. He joined Commerce in 2003 as financial manager of student loans before taking his current position. Prior to joining Commerce, Kevin was employed at Saint Louis University as a director of development, scholarship coordinator, and a counselor for prospective families and alumni on accessing higher education financing. Kevin earned his bachelor of arts degree in communications and promotion and master of business administration degree from Saint Louis University. Kevin serves on the Executive Advisory Board for the John Cook School of Business at Saint Louis University and as a volunteer and fundraiser for Good Shepherd School for Children and Saint Louis University High School.



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