

# THE DANGERS OF TRANSFER-ON-DEATH AND PAY-ON-DEATH ACCOUNTS



Ever been told you don't need an estate plan AND you can avoid probate if you use Transfer-on-Death (TOD) or Pay-on-Death (POD) Accounts? Ever been told is only about avoiding probate? Maybe you were told to just put the kids' names on your accounts? Think probate is the worst thing that can happen to your estate plan? Think again!

TOD and POD Accounts might work for smaller estates of \$200k or less, but, for modest estates and above, there are a **ton** of issues that you might want to address that can't just fit in a TOD/POD form!

So we want to give you our TOD/POD Checklist. It's a simple list of 10 questions to ask your financial planner or banker when they recommend just putting TOD/POD or, worse yet, putting the kids, on your accounts. Use this sheet to ask questions and take notes!

QUESTIONS	NOTES
If I become incapacitated, what happens? Will I need a guardianship?	
Are there any tax consequences to any of this? (CAREFUL if you put the kids on the account)	
Are there any tax consequences at my death? (CAREFUL if you put the kids on the account)	
Does this protect me if I end up in a nursing home?	
Does this protect my spouse if he/she ends up in a nursing home?	
What happens if one of my kids predecease me?	
What if they have minor children?	
What if they have special needs and get governmental benefits?	
What if they get sued or bankruptcy or divorce?	
Will this guarantee I never go through probate?	