

How to Leave a Legacy

Why Pastors Need to Teach about Estate Planning

by Joseph Singleton

Is Estate Planning in the Bible?

I've read the Bible cover to cover many times and have never come across the words "estate planning."

Looking for answers in the Bible commentaries won't get us very far because it wasn't as necessary back then. Two or three centuries ago, people didn't own many assets. There weren't many hospitals, nursing homes or doctors because people lived to the ripe old age of 45, according to Social Security. Certainly, there was no IRS.

Entering "estate plans" in the search window of our Bible software isn't going to have many hits either. There's not an "estate" chapter in the Bible like a "love chapter" chapter in 1st Corinthians.

What's a pastor to do? Ignore it? Bypass the topic altogether? Lightly mention it somehow in a non-related way? What exactly is "it" anyway?

The challenge for pastors preaching on estate planning — besides lack of information in the Bible — is the lack of knowledge and understanding of the subject. In fact, most people don't know much about estate planning.

That's why it's important that it's talked about from the pulpit and the people we trust to tell us how to do our estate planning from a Biblical perspective. If not, Christians might hear it at a free lunch sponsored by the secular world by people they don't know and who might not have their best interests at heart.

Estate Planning and Stewardship

Estate planning is a wide category and touches on several things; however, every adult must have some basic knowledge of it. It affects so many other people in our lives, and it's not always pleasant. The Terri Schiavo case a few years ago is a perfect example of a family not planning their estate.

We usually think of an estate as an extremely wealthy person transferring all their assets upon their death into large trust funds and the beneficiaries living in luxury for the rest of their lives (See *Paris Hilton*). Yes, for 1 or 2 percent of the world's

population, this might be true; but for the rest of us, basic estate planning is needed to be the best stewards we can be.

Stewardship is the management of all the Lord has entrusted to us. This includes tangible things — money, home, spouse, children — and intangible things such as time, careers, service and health. We know one day we'll give an account to God on how well we managed on what has been entrusted to us. This role includes the distribution and preservation of all your stuff, or your "estate."

The 5 Pillars of Estate Planning

1. Revocable family trust
2. Will
3. Power of attorney for healthcare of a husband
4. Power of attorney for healthcare of a wife
5. Pour-over will — anything left over or undesignated that "pours over" into the family's estate

King Solomon's Views

Solomon talks about estate planning in Ecclesiastes chapters 5 and 6. He calls it a *severe evil to not leave anything to our children and to have riches perish through misfortune, or literally, bad business. It is a severe evil to come naked into this world and naked in our return, to go as he came, have nothing from all our labor, and to labor for the wind.*

Another severe evil Solomon discusses is eating in darkness and having much sorrow, sickness and anger. If this type of catastrophe occurs — such as an illness, dementia, or even a coma — then having a Durable Power of Attorney for Healthcare will appoint someone we want, such as our trustee, to make medical and financial decisions for us. Having our wishes written before a disaster happens eliminates some heartache for the people taking responsibility for us.

Ecclesiastes 6:1, 2 states: *There is an evil which I have seen under the sun, and it is common among men: A man to whom God has given riches and wealth and honor, so that*

he lacks nothing for himself of all he desires; yet God does not give him the power to eat of it, but a foreigner consumes it. This is vanity, and it is evil affliction.

The Bible says it is evil to have a foreigner consume all God has given us. Why give it to the courts, government and hospitals when it all can be avoided by estate planning? Then we're able to provide for own household and to give to our children's children.

Estate tax, death tax and probate costs can take up to 50 percent of our estate. However, this misfortune Solomon speaks of can be avoided with a Revocable Living Trust and a Will that will distribute most of your assets quickly, quietly and to the people and places we want it to go — without losing a portion to taxes and probate. Which nonprofit do we want our assets to go: our church or the IRS?

What's the Difference Between a Will and a Trust?

A *trust* is much like a "holding tank" for your assets. Anything you own without a beneficiary attached would go into the Trust.

On the other hand, a *will* gives instructions to the trust for the distribution of your assets. The will also designates the "executor," or trustee, of your estate and determines the legal guardian for your minor children.

That's why it's important for adults to learn about estate planning — and what better way to learn is than from pastors? It's teaching proper stewardship.

Estate Planning and Long-Term Care

One of the ways your estate shrinks today is the expense of long-term medical care. We're living longer and dying more slowly. The costs associated with a nursing home are very expensive and can wipe out all your family's assets or estate. Long-term-care insurance would help preserve the wealth so there's more to pass on to families and charities.

Now What?

Estate planning needs to be discussed and explained by pastors. There's not much in the Bible about planning for our estate — but after all, Jesus said only one time that we *must* be born-again to see the Kingdom of God.

Joseph Singleton is an investment advisor representative (IAR) of Christian Community Credit Union, a member-owned, full-service financial cooperative serving the Christian community. He's a registered representative and offers securities through Financial Network Investment Corp., member SIPC. The views are those of Singleton and shouldn't be construed as investment or tax planning advice. Contact him by calling 800.930.3642 ext.6120 or by e-mail at singletonj@financialnetwork.com.

