

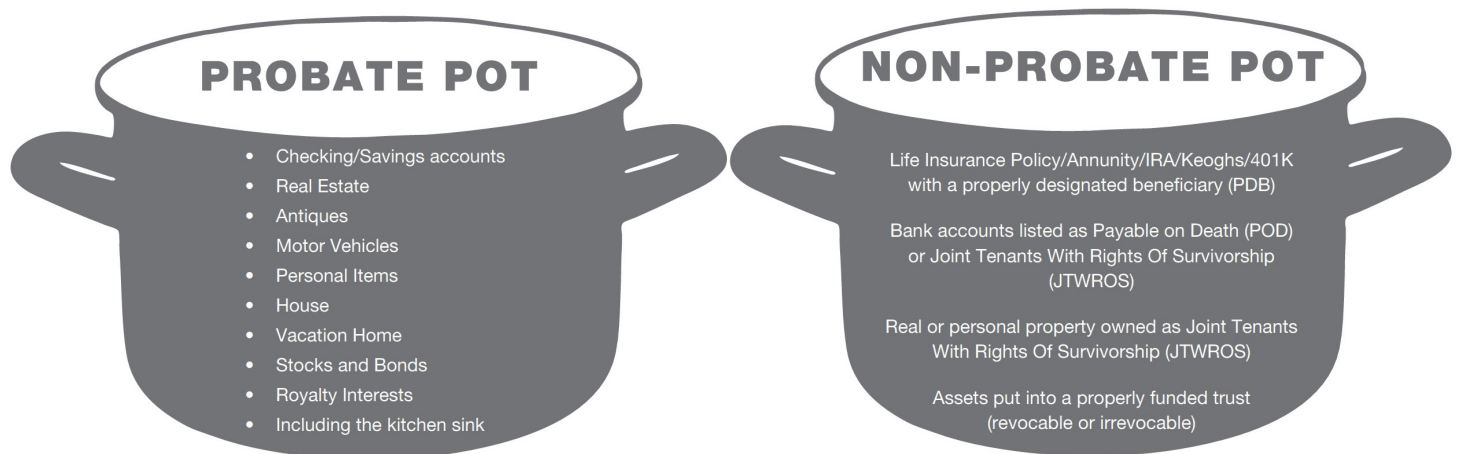
Probate vs. Non Probate Assets

In order to move forward with estate planning, knowing what you have is a must. This knowledge will help you and your attorney establish the best plan for your particular situation.

Think of your probate and non-probate assets as two different pots...

“Non-Probate assets” pass upon death to the named survivor or beneficiary “outside of probate.” These assets are those that do not pass under the terms of a Will. They are assets that pass to a beneficiary named on the document that was signed when the asset was created.

“Probate assets” would include all interest and assets, real or personal, tangible or intangible, which are owned outright by a person at the time of his or her death. “Probate assets” are those assets that have no beneficiary designation and will pass under the terms of the Will.



These lists only give a sampling of assets. There are many more to consider. When beginning the Estate Planning process, it is imperative to know what assets you own. If you know what assets you have, you will be able to protect them in the event something was to happen to you.

Estate Taxes:

It is also important to know that although a surviving spouse has an unlimited deduction, the amount a person can pass on to any other family member or individual free from federal estate tax in 2020 is \$11.58 million. This amount includes assets in both pots. If that amount is exceeded, either the person or their heirs will owe a tax of up to 40%. Speak with your attorney if your assets are close to or exceed that amount in order to set up the proper estate planning documents to avoid estate tax.



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