



## 1. What is an estate?

All the assets, including money and property, owned by a particular person, especially at death.

## 2. What are liquid assets?

Assets that can easily be converted into cash in a short amount of time.

## 3. What is an executor or administrator of an estate?

An executor, versus administrator, is someone who has been appointed in a will to manage and distribute a deceased person's estate. The executor, which can be an individual or corporation, is appointed by the person who has made the will, who is also known as the testator.

An estate administrator, versus executor, is appointed by the court. The administrator can also be an individual or corporation. The difference is that the administrator cannot start acting on behalf of the deceased person's estate until the court issues a grant of administration. An executor, on the other hand, can begin acting immediately after the person dies because he or she is named in the will.

## 4. What happens if I do not leave a will?

In North Carolina, when you die without a will, it is known as having a dying "intestate," meaning that a local probate court will appoint an administrator to distribute your assets according to the requirements of North Carolina probate law.

## 5. Can I leave my estate to multiple parties? Yes.

## 6. Can I leave my personal property to my beneficiaries?

Yes. You get to choose what property goes to which beneficiaries when you make your will or estate plan.

## 7. Can I make changes to my estate plan?

Yes. In North Carolina, you retain legal authority until you pass away or lose capacity. The law allows you to destroy, change, or create a new will as long as you are competent and of sound mind.



### **8. What is "next of kin"?**

A person's closest living relative or relatives.

### **9. Who is a beneficiary?**

A beneficiary is a person or entity that is legally designated to receive benefits and/or assets from a person's estate once they have passed away.

### **10. Do I need an attorney to help me with estate planning?**

No, you can make your own will in North Carolina. However, depending on the nature of your estate and goals, hiring an experienced estate planning lawyer to help you can be beneficial.

### **11. Do you have to have a certain amount of money to have an estate plan?**

No. There is no minimum amount of money that someone needs to have before making an estate plan.

### **12. If I have debts when I die, can they be deducted from my estate?**

No, when someone dies owing a debt, the debt does not go away. Generally, the deceased person's estate is responsible for paying any unpaid debts. When a person dies, their assets pass to their estate. If there is no money or property left, then the debt generally will not be paid.

### **13. What is a power of attorney, and do I need one?**

Anyone who wants to permit another person to perform certain legal acts on his or her behalf needs a power of attorney (POA). A power of attorney document can allow another person to handle financial matters, make health care decisions, or care for your children.

### **14. What is probate?**

Probate is the process completed when a decedent (a person that has passed) leaves assets to distribute, such as bank accounts, real estate, and financial investments. Probate is the general administration of a deceased person's will or the estate of a deceased person without a will.



### **15. Can I donate 401Ks, gold, stocks, and bonds?**

Yes. Fill out a designated beneficiary form through your employer or your plan administrator. Most banks and financial services firms also have beneficiary forms, or they can provide you with suggested language for naming beneficiaries to these accounts. Once the designated beneficiary forms are in place, the retirement assets will generally pass directly to your beneficiaries (including charities) without going through probate.

If you are married, ask the plan administrator whether your spouse is required to consent. If required but not done, this could result in a disqualification of the charity as your beneficiary. Be clear about your wishes with your spouse, lawyer, and any financial advisors, giving a copy of the completed beneficiary forms as necessary.

Yes, you can also donate gold, stocks, and bonds directly to charity. Compared with donating cash or selling your appreciated securities and contributing the after-tax proceeds, you may be able to automatically increase your gift and your tax deduction.

### **16. Does my will have to be notarized?**

No, in North Carolina, you do not need to notarize your will to make it legal. However, North Carolina allows you to make your will "self-proving," and you'll need to go to a notary if you want to do that. A North Carolina self-proving affidavit form is written testimony attached to a last will and testament that supports the validity of said will when it is submitted to probate court.

### **17. What age should I start planning my estate?**

Many financial advisors would recommend starting an estate plan the moment you become a legal adult, and updating it every three to five years after that. (The state of North Carolina recognizes the age of majority as age 18.)



### **18. Can real estate be donated?**

Yes. Donating your real estate can unlock additional funds for charity in two ways. First, you potentially eliminate the capital gains tax you would incur if you sold the real estate yourself and donated the proceeds, which may increase the amount available for charity by up to 20%. Second, you may claim a fair market value charitable deduction for the tax year in which the gift is made and may choose to pass on that savings in the form of more giving.

### **19. Can my funeral costs be deducted from my estate?**

You can deduct funeral expenses paid with estate funds. You can't claim costs paid by the executor, the next of kin, or a burial or funeral insurance policy.

### **20. Is my insurance policy considered part of my estate?**

Money paid out on your life insurance policy when you die is not "your" money. It is the money of the insurance company which, under the policy, has a legal obligation to pay the named beneficiary. So that money is not part of your estate, and you cannot control who gets it through your last will and testament.

### **21. Are there "widgets" for those who are considering IRA rollover gifts, donor advised fund (DAF) grants and/or beneficiary designations for a future gift?**

Yes. On the gift planning website, refer to these widgets in the "Gift Options, How to Give" pages. Please see the following:

- [Donor Advised Fund \(Accept DAFs\)](#)
- [IRA Charitable Rollover](#)
- [Beneficiary Designation Gifts](#)

If you have additional questions about how you can include NCSSM in your estate plan, please contact Barb Coury, Vice Chancellor for Development and Foundation President at 919.416.2866 or [barbara.coury@ncssm.edu](mailto:barbara.coury@ncssm.edu).