

Top 5 reasons why Millennials need a will

By Gail Johnson | Pay Day – Tue, 21 Jan, 2014 11:22 AM EST



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Finding a 20-something with a will is akin to connecting with a Seattle Seahawks fan who likes peace and quiet — nearly impossible.

Eighty-eight per cent of Canadians between the ages of 27 and 34 do not have a will, [according to the Lawyers' Professional Indemnity Company](#). The most common reason cited in a 2012 poll was that they believed they're simply too young.

But there are solid reasons why today's Millennials should [write out their wishes](#) in case the end comes sooner rather than later.

“While the more assets you have, the more you will need to have a will and a proper estate plan, even young people just [starting out their careers](#) and families should have a will,” says certified financial planner Tina Tehranchian, branch manager at [Assante Capital Management Ltd.](#) in Richmond Hill, Ontario.

Consider four reasons why it's a good idea for young adults to have an exit strategy.

1. Even the good die young

OK, it's depressing as can be and no one ever likes to think about checking out, but plague and pestilence don't discriminate. Life can turn on a dime, and no one's exempt.

If you kick the bucket without a will, someone has to be appointed by the provincial court to manage your estate. Known as the administrator, that person has to sell any assets that need to be sold, including real estate; locate family members who may be heirs; [pay off debts](#); and file income-tax returns, among other tasks.

No matter how seemingly small an estate may be — maybe it's some cash savings for a down payment on a home or a few years' worth of [RRSP contributions](#) — it's worth assigning someone you know to the job, and not just because of the issue of trust.

“Without a will, the province will have to act as your executor and will charge executor fees that will diminish your estate,” Tehranchian says. “If you appoint a family member as your executor, then you can avoid paying these fees.” And if you end up paying someone you know and love to handle your affairs a fee anyway, at least the money will go to him or her and not to the government.

Plus, without a will, your memorial service won't necessarily be what you'd like and your remains could end up being dispersed in a way you wouldn't have chosen.

2. Things can get complicated without one really complicated

For an example of what happens to your worldly possessions when you expire without a will, look to the [Estate Administration Act in B.C.](#) (check with your own province on the same scenario). Here's the lowdown:

If you don't have a spouse, or your spouse is dead, the estate goes to your children. If you have no children, then your parents (or the lone survivor) get the estate.

If your parents are dead, the estate goes to your siblings, but if one of them died before you and left any children, those kids receive your dead sibling's share.

If your siblings are dead, your estate is divided equally among your nephews and nieces. If there aren't any, then it's left to your other relatives based on a table of family connections that shows how they're related to you.

It may be entirely possible you don't want a cent to go to a blood relative. Having a will gives you the power to decide who gets what.

3. You've got to look out for the kids

“If you have children, you need to appoint a guardian to look after them in the event both parents pass away, and you also need to appoint a trustee to manage the assets you leave behind for your children,” Tehranchian explains, noting that it's up to you at what age you feel is appropriate for funds to be handed over to the kids.)

“In the absence of a will, the province will decide who the guardian and trustee for your children will be, and assets could be handed over to your children at the tender age of 18,” she says. “That's not the ideal situation for most parents.”

4. It can be easy and cheap

Sure, if you go to a partner at a large national firm, your legal fees could be exorbitant. But there are other avenues that won't break the bank. Hiring a notary public is one; so is turning to online sites like [Canadian Legal Wills](#) that offer a low-cost alternative to legal professionals.

5. Your digital footprint doesn't disappear

Have you ever been on [LinkedIn](#) and seen the profile of a former colleague appear long after you attended their funeral? It's a morbid discovery, but points to the importance of having a plan for your digital assets. It's estimated the average connected American has more than \$37,000 in under-protected digital assets, [according to Internet security firm McAfee](#).

By taking an inventory of your online life -- from your bank accounts and social media profiles to your photo collections -- and stating explicitly how you want that life to be wound down, your digital assets stand a better chance of not falling into the wrong hands.