



Making Technology Work for You: 5 Tips for Proactive Digital Estate Planning

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While the current estate tax exemption is higher than most people will qualify for at \$11.4 million, estate planning is an important process for everyone. Critical decisions such as who will be the legal guardian of your children, how your assets should be distributed and figuring out powers of attorney and medical directives should be proactively decided to put you and your loved ones at ease. Technology is becoming more important than ever, changing the way we access our personal information, making some aspects of estate planning more challenging, but easier in other ways.

HOW TECHNOLOGY IS IMPACTING ESTATE PLANNING

After someone passes away, the executor's job can sometimes be like detective work. A tax return can provide a road map for some assets that generate interest and dividend income, but doesn't show the full picture. In the past, executors could wait for monthly bank statements or other documents in the mail to help piece together the estate assets. As more people go paperless and digital assets like bitcoin become popular, an executor's job can become even more difficult because the paper trail is reduced. To better prepare your estate for your loved ones, below we discuss options to handle and protect your estate planning information in the digital age.

1. Keep a list of all assets that you own, including the location of bank accounts, investments and cryptocurrency. Review the list annually to update any changes. Include accounts that may not be generating income currently, like a retirement plan from a former employer or life insurance policies. If an executor doesn't know assets exist, the assets may ultimately go to unclaimed property in your state.
2. Make sure someone you trust knows, or can locate, the password to your cell phone. Your cell phone is a wealth of information with contacts for advisors like your CPA, attorney, investment advisor and insurance advisor. You probably also have email access which allows an executor to get information about monthly statement notifications that may be sent to email. Obviously, choose this person wisely.
3. Look into a password app like [LastPass](#) that can keep track of your current passwords so an executor could access your accounts.
4. Designate a person to access your accounts if possible. Gmail has a feature called [Inactive Account Manager](#) which will send an email to an address you specify if there is no activity on your account

for a period of time. If someone can access your email, they are in a much better position to get access to various accounts and figure out usernames and passwords if necessary.

5. Don't forget about the priceless assets you have as well. Pictures on social media, blogs and other digital accounts can be very valuable to loved ones but only if they're able to find and access those after you have passed away. Facebook has a feature called Memorialization Settings which allows you to set up a legacy contact regarding who can access your account.

Legally, the treatment of digital assets is still evolving as technology evolves. Many states have passed Revised Uniform Fiduciary Access to Digital Assets Act (RUFADAA) or similar laws which cover how an executor or heir can access information. The laws in the US are more stringent than many other countries. Social media and certain apps also have their own terms and conditions which dictate what happens when an account owner dies and who has access to the information.

Being proactive and taking care of some of this basic estate planning creates a roadmap for your executor to follow. It allows the estate to be administered and distributed in a quicker and cost-efficient manner because less time and professional help is needed to gather information about the estate assets. Your executor and heirs will appreciate you even more for being proactive. [Contact an Anders advisor](#) with questions about your estate plan, or learn more about [Anders Family Wealth and Estate Planning Services](#).