

Nevada Legal Services

Senior Law Project Digest

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Don't Forget to Update Beneficiaries

A very important part of your estate plan often includes naming beneficiaries. By naming beneficiaries, the proceeds for life insurance policies, annuities, retirement accounts and even assets like vehicles, homes and bank accounts can be paid/transferred to the named beneficiary(s), avoiding probate upon your passing.

As a result, it is important that beneficiary designations are continually evaluated and updated since these assets are distributed outside of the estate. If your beneficiary designations are not up to date and you pass away, then your benefits/assets might end up in the wrong person's hands. Or you could perhaps harm your intended beneficiary.

Reasons to evaluate and change beneficiary designations:

- 1. Your primary beneficiary died.** If you named a second beneficiary, he or she will move up to primary status, but you will now want to name a new secondary beneficiary.
- 2. You got divorced or remarried.** If your designation is not updated, or a secondary beneficiary is not named, when you die, this could get messy.
- 3. You had a grandchild.** You won't want to designate a child under 18 years of age as a beneficiary. If you do, a guardian of the property will have to be appointed to manage the assets until the child reaches the age of 18.
- 4. Your beneficiary became disabled.** If this has happened, you may need to amend the designation or this could jeopardize the beneficiary's eligibility for government benefits.
- 5. You've changed jobs or rolled over your retirement plan.** If you move money from your former employer's retirement plan into a new one or into an IRA, your beneficiaries lose any claim to those assets. You will want to ensure they are named as beneficiaries on the new account.
- 6. Your financial institution changed ownership.** When brokerages, banks and mutual funds merge, they sometimes drop the beneficiary designations on older accounts.



THIS INFORMATION IS NOT A SUBSTITUTE FOR THE ADVICE OF AN ATTORNEY. CONTACT AN ATTORNEY FOR SPECIFIC QUESTIONS.

March Senior Center Calendar

April 12 - Silver Springs April 14 - Fernley
April 17 - Douglas April 25 - Dayton
April 22 - Churchill April 28 - Storey



Senior Legal Helpline
Toll Free: (877) 693-2163
Monday - Friday 8 a.m. to 4 p.m.

Nevada Legal Services, Inc., is a non-profit organization providing free legal assistance to low-income Nevadans. Nevada Legal Services is dedicated to strengthening the community by ensuring fairness and providing equal access to justice for low-income Nevadans. We are a statewide organization serving all seventeen Nevada counties.

Nevada Legal Services, Inc. • 285 10th Street • Elko, NV 89801
775-753-5880 • <http://nslaw.net>