



Estate Protection Plan

How do I distribute my assets to my beneficiaries?

Generally, there are three methods in which you are able to distribute your property to your beneficiaries through your will or trust: (1) by identifying specific pieces of property that is to be left to your beneficiaries or by what is referred to as a “Specific Devise”; (2) by identifying a specific amount of money that is to be left to your beneficiaries or what is referred to as a “General Devise”; or (3) by creating fractional divisions to be distributed outright to your beneficiaries or by what is referred to as a “Residue Devise”.

Specifically, a Specific Devise is a specific gift of a piece of property in your will or trust to a specific person. A specific devise could include real estate, vehicles, boats, ATVs, a business, stock, a specific investment, etc. An example of a specific devise is if Bill states in his will or trust that he is leaving his cabin in Aitkin County to his brother Alex.

A Specific Devise can allow include a Tangible Property List. A Tangible Personal Property List is document that is separate from your will or trust that provides you an opportunity to transfer personal property to your beneficiaries apart from your will or trust. You can prepare a separate Tangible Personal Property list provided your will includes specific provisions allowing for such a list.

Tangible personal property is an object that you can pick up and hold in your hand. It includes such things as furniture, dishes, silverware, jewelry, guns, fishing gear, works of art, etc. When you make a list, you need to describe the items and the people who are to receive them. Your personal property must be described with a reasonable amount of certainty so your personal representative and trustee understand what personal property you are referring to. The list must either be in your handwriting or signed by you. The list can be changed by you any time after it has been prepared without needing to come back to our office, so long as any changes to the list are in your handwriting or signed by you. You can change gifts, make new ones or delete old ones. You are not able to dispose of money, assets that have a title, stocks, bonds, or other securities, or property which you would use in a trade or business.

A General Devise is a specific monetary gift to a specific person or charity to be funded out of your overall estate. An example of a general devise is if Bill’s will or trust stated that he was leaving his daughter Emma a monetary gift of \$30,000.00. An additional example is if Bill’s will or trust stated that he was leaving his church a monetary gift of \$20,000.00. Please understand that it is not necessary to make any general devise gifts in your will or trust unless you want to ensure that a specific beneficiary receives a specific monetary gift.

A Residual Devisee is a beneficiary who receives their share after the Specific Devisees’ and General Devisees’ gifts have been distributed. An example of a residual devise is if Bill’s will or trust stated “the

residue and remainder of my estate shall be distributed in equal shares to my son Sam and my daughter Kate.” It is necessary to name residue devisees in your will or trust because the residual devisees will receive the remaining proceeds of your estate that are not distributed to a specific devisee or general devisee. These typically are the beneficiaries that you desire to receive the bulk of your estate.

To start your Estate Protection Plan and to get any other questions you may have answered, contact our office at (763) 389-0178 to schedule a meeting or send us an email by [clicking here](#).



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