

Millennials — When Raising Young Children and Caring for Aging Parents Collide

Currently, there is no lack of opinion regarding the millennial generation. As a millennial, it is not hard to understand why. However, despite the potential dividing views on this particular generation, there is one common fact that is applicable to all generations — “Father Time is undefeated.” This saying is commonly used in sports as aging athletes realize their new role in team sports. However, this phrase can also be applied in many situations, especially concerning estate planning for millennials.

The millennial generation currently ranges in age from 26 to 41 years old. Frequently, millennials find themselves in the important and demanding position of raising young children while also assisting aging parents. As such, this position brings about particular estate planning issues that millennials should keep in mind.

Planning For Your Children

Guardians — It is extremely important to designate a guardian for your children in the event of the death of both parents. This designation can be made in a will or other testamentary document. A guardian is someone who takes physical custody of the child and has authority to make health, educational, and other decisions concerning your child. A guardian does not always have to be a traditional family member. For example, an aging grandparent may be capable of caring for a younger child but may not be the best choice to care for the child if they are a teenager.

529 Plans — As school resumes, now may be a great time to consider contributing to your child’s 529 Plan. While it may not be helpful for everyone, a 529 Plan is a tax-advantaged investment account allowing money to be invested and withdrawn tax-free, as long as it is used for qualifying educational expenses. It is important to note that qualifying education expenses are not limited to colleges or universities, as these funds may sometimes be used for elementary and high school expenses.

Planning For Your Parents

Medical and Financial Decisions — If a parent becomes ill or loses the capacity to make their own choices, someone must make medical or financial decisions for them. Therefore, it is important to ensure that parents have both a health care directive and power of attorney completed. The health care directive authorizes an appointed person of your choice (agent) to make healthcare decisions for the person giving the authority (principal). The power of attorney, or POA, allows the appointed agent to make financial decisions for the principal. In the event either of these documents is not completed, the court may need to get involved.

Planning for Your Pets

Trusts — Millennials are increasingly including their furry family members in estate plans. Many people want to ensure their pets are taken care of if they die before their pet. In Tennessee, a trust may be created for the care of an animal. These types of trusts appoint a person (a trustee) to care for the animal. Under Tennessee law, trusts for the care of an animal terminate upon the death of the animal (or the last surviving animal if more than one) and will not be enforced for more than ninety years.

A comprehensive estate plan can provide for how you would prefer your life be managed in the event you are unable to make those decisions for yourself, how you would like your property to pass after your death, and provide for the guardianship and care of your children and pets. Whether you are a millennial or a relative of a millennial, estate planning is extremely relevant to your family. There is no better time than the present to create or update your estate plan.

If you have any questions or want to learn more about the various estate planning strategies available to you, please contact me, [Isiah Robinson](#), or another member of our [Estate Planning Team](#).