

Ethical Wills: The Heart of Your Estate Plan

January 21, 2025

By Candace Dellacona



When most people think of estate planning, Trusts and Last Wills and Testaments usually come to mind. I have spent my career espousing the essential tools for ensuring an efficient transfer of assets from one generation to the next, planning for taxes and incapacity, and outlining health care desires. However, the standard estate plan does not capture something equally valuable: the values, lessons, and hopes that many wish to document for their loved ones. That is where an ethical will comes in.

Ethical wills, also known as “Letters of Intent, or “Legacy Letters” are non-legal documents that convey the intangibles like morals, beliefs, and reflections on your life - both the highs and the lows.

What is an Ethical Will?

A traditional Last Will and Testament or a trust directs how your tangible assets will be distributed upon your death. An ethical will instead can serve as heartfelt advice and guidance to your loved ones and future generations. While it is not legally binding, an ethical will can be deeply personal and meaningful.

Ethical wills are not new. In fact, there is mention of an ethical will in the Book of Genesis in the Bible and they were traditionally recited orally to family members. It was not until the Middle Ages when they were recorded in writing with the hope that the message would be preserved and shared with future generations.

Do you need an Ethical Will?

The short answer is no. But considering the fact that in creating a traditional estate plan, most put significant time, thought, and energy into who should inherit and in what proportion, it likely would be appreciated and helpful to share your reasoning behind how you came to those decisions, or what you hope the beneficiary might consider when living their lives and using what you left to them.

Content of an Ethical Will:

- **Values:** Leaving your worldly goods, your home, and other financial assets to the next generation is certainly important, but your ethical will might explain to your beneficiaries the values that you lived by that enabled you to acquire those assets. It can provide a platform for you to share with your beneficiaries your principles, your beliefs, and the lessons learned in doing so.
- **Strengthening Family Connections:** The event or ceremony of sharing your ethical will together can be a truly powerful experience for a family. A document containing stories, anecdotes, and your successes and failures can help family members feel connected to your story and to each other during your life or long after your death.

- **Clarifying Intentions:** Sadly, the decisions and bequests made in a traditional will or trust can be misunderstood and lead to conflict within a family – having the opposite effect that you intended. An ethical will provides you with the opportunity to explain your reasoning behind the content of your legal estate planning documents, reducing the likelihood of misunderstandings or hurt feelings.
- **Providing Comfort and Guidance:** An ethical will should be a sort of love letter to your family in which you provide words of encouragement, share the joy you felt with your loved ones, and impart wisdom and advice for their future reference. For those with religious beliefs, many choose to share how faith served as a touchstone if a parent or loved one is no longer here. Ethical wills can also provide a great source of comfort and strength during times of grief.

Get started: The best part of an ethical will is that you don't need to hire a lawyer to start.

Reflect on Your Life.

Consider the experiences that shaped you over the course of your life.

- What life lessons do you think are worth sharing with your loved ones for years to come? Tell them to “take that risk” because it served you well.
- Do you have hopes for your loved ones for their lives? Now is the time to share those hopes for their higher education, or creating a family in the future.
- Is there something specific that you want to be remembered for? If so, convey what that is and why it's important to you.

Be Honest and Authentic. This is not a formal legal document; you should write in your own voice. The whole point of an ethical will is to be heartfelt and a reflection of you. Get personal and write it as though you are having the most heartfelt conversation with your loved ones. Do not be concerned with form, grammar, or the legality of it all. It's ok to be vulnerable and share your failures and your regrets.

Nothing is Forever. Let's face it, things change and because of that, you can always revise and update your ethical will. Just as I tell clients that legal wills and estate plans should be updated, your ethical will should also be updated. Relationships, net worth, health, values, and perspective are not permanent. Do not be afraid to reconsider and revise.

Sharing is Caring. In most cases the 'reading of a will' is only something made for TV. With an ethical will, the choice is yours: you may decide that you want your ethical will read prior to revealing the contents of your legal will to set the stage for how your assets are to be distributed, or choose to share your ethical will during your life. Whether it is something left behind to be read after your death, or if you prefer gathering your family together to foster a discussion about legacy and lessons, there are no rules how you share.

Combining an Ethical Will with Traditional Estate Planning. While an ethical will is not a substitute for a legal will or trust, it certainly can complement your estate plan by adding an emotional, encouraging, loving, and sometimes spiritual dimension. Work with your estate planning attorney to ensure your proper legal documents are updated and in place and consider crafting an ethical will to share with your lawyer so that they can better understand what is important to you and how to help you accomplish your goals.

Creating an estate planning does not just have to be about the legality of moving assets from one generation to the next, it can be much more. Including an ethical will in your plan may ensure that your lessons, love, and legacy are preserved for future generations.