Every Woman For Herself

October 18, 2023
By Candace Dellacona

Originally posted on 1/6/2021, content updated on 10/18/2023

I read a statistic that stopped me in my tracks: women are four times as likely to be a widow than men are to be widowers. Anecdotally, most of us know that women tend to outlive their partners but the fact that it is *four times* as likely should give us all pause. It should also prompt us as women to make sure that we have our proverbial houses in order, especially as we begin a new and brighter year ahead. How does one ensure her house is in order? Start with a list. The list should identify the assets that she owns, what the value of those assets are, and how she owns those assets.

What are your assets?

For practical purposes and for this exercise, your assets should be considered anything that you own that has value. Most people understand that their real estate, bank, brokerage, and retirement accounts are considered assets, but there are other items that might not immediately come to mind when you consider assets. Collectibles, artwork, expensive jewelry, interests in business, intellectual property, digital assets, inheritances, and insurance policies are also assets and often have significant value. It is important that these not-so-obvious assets are identified.

How do you own those assets?

Assets can be owned in various ways: jointly with or without rights of survivorship, assigned percentages, in a trust, and solely are just a few examples. If you are married, you may own your primary residence together as "joint tenants with rights of survivorship" with your spouse. This means that if your spouse predeceases you, your home will pass to you by operation of law. If instead you own vacation property as tenants-in-common with your brother and he dies first, his share will pass to his own heirs – which might *not* be you. This is an important distinction because if you own property with your brother and his children are the heirs to his estate, his 50% ownership of the property will pass to them. If that is the case, his children may want to sell the property. Do you have the finances available to buy them out? Or do you want to own property with your brother's children? Maybe. But maybe not.

What is the value of your assets?

Asset valuation is a moving target. The market value of real estate and equities fluctuate daily so asset valuation should be updated at minimum, on a yearly basis. Even more complicated is determining the value of business interests, intangible assets, and specific tangible personal property that may be unique in nature. Take for example an art collection: oftentimes it is necessary to engage an art expert qualified in that particular genre to determine the market value of a piece or an entire collection. Or, even more complicated, the valuation of a closely held business in which you are the sole proprietor: what the value is during your life may not be the same after you die. It may be necessary to engage an expert to evaluate the value of your role in a business with or without you. Why is it important to understand the value of your assets? In a word, taxes. Depending on the value of your assets and who you plan to leave your assets to when you die could mean the difference in hundreds of thousands of dollars in taxes owed to the state or federal government upon your death, if not more. Knowing what your assets are worth will enable you to plan properly for who should inherit those assets and in what proportion.

Beginning with a simple list is a good start in getting your own house in order; the list will better enable you to take the next step in planning. Knowing what you have will allow you to consult the appropriate professionals to create a functional estate plan that will serve your long-term goals and, in the end, protect you and your loved ones. After all, in the end, it is (four times as likely to be) every woman for herself.