



Your Journey to a Lasting Legacy

Every legacy has a starting point.
Every path requires a guide.

INTRODUCTION:

Setting Out on the Trail

Estate planning is a journey. Every family starts somewhere, and the path looks different depending on what you carry and where you want to go. For some, the goal is to protect loved ones and simplify decisions. For others, it's preserving wealth across generations, managing complex assets, or supporting causes that matter most.

Before setting out on any journey, take a look at the contours or uneven ground, note any obstacles, and keep an eye out for opportunities. This will help to navigate the terrain with purpose and confidence, either by mapping out family priorities and emotional considerations or by anticipating the financial and legal obstacles, one of which are taxes.

Most Americans will never be subject to a federal estate tax. However, for those who do, the cost can be steep, accounting for up to 40% of assets above the exemption threshold. In 2026, the exemption will sit at \$15 million per person. While those numbers may seem distant, they reveal a deeper truth: the line between “no concern” and “significant exposure” can shift overnight, as recent current politics have demonstrated. Families who believe they are unaffected today may find themselves subject to taxation in just a few years, so flexibility and revisiting your plan often is the key to success.

Even for families outside the taxable range, the path is rarely simple. Without thoughtful coordination, ownership structures, and beneficiary designations, the trail can diverge, leading to unintended distributions or costly detours through the probate process.



Fewer than
**0.1% of
estates will
owe federal
estate tax
in 2025,**
yet those
who do
may have
to move
mountains.

This becomes even more complex with the shifting ground of income and estate tax rules, as well as the demands for liquidity. The goal is not merely to avoid risk, but to build resilience. And that resilience is what ensures your plan can navigate every twist in the trail.

While not every journey will wind around the rugged peaks of estate tax exposure, every journey does require a plan. Estate planning charts the course so your assets arrive where you intend, thereby guiding your legacy to those you love, when and how you choose.

At Composition Wealth, we view estate planning not as a destination, but as a journey, guided by clarity of purpose, control over outcomes, and continuity for generations to come.

Our Estate Planning Survival Kit (see page 8) helps clients navigate each stage of that journey, from establishing foundational documents to implementing advanced strategies for wealth transfer and legacy preservation. Working alongside your legal and tax advisors, we coordinate every layer of your plan so that your legacy unfolds with precision, not chance.



Establishing Your Foundation

At the start of every journey, you need the right gear and direction. For families, that means having the essential documents and structure in place to protect what matters most.

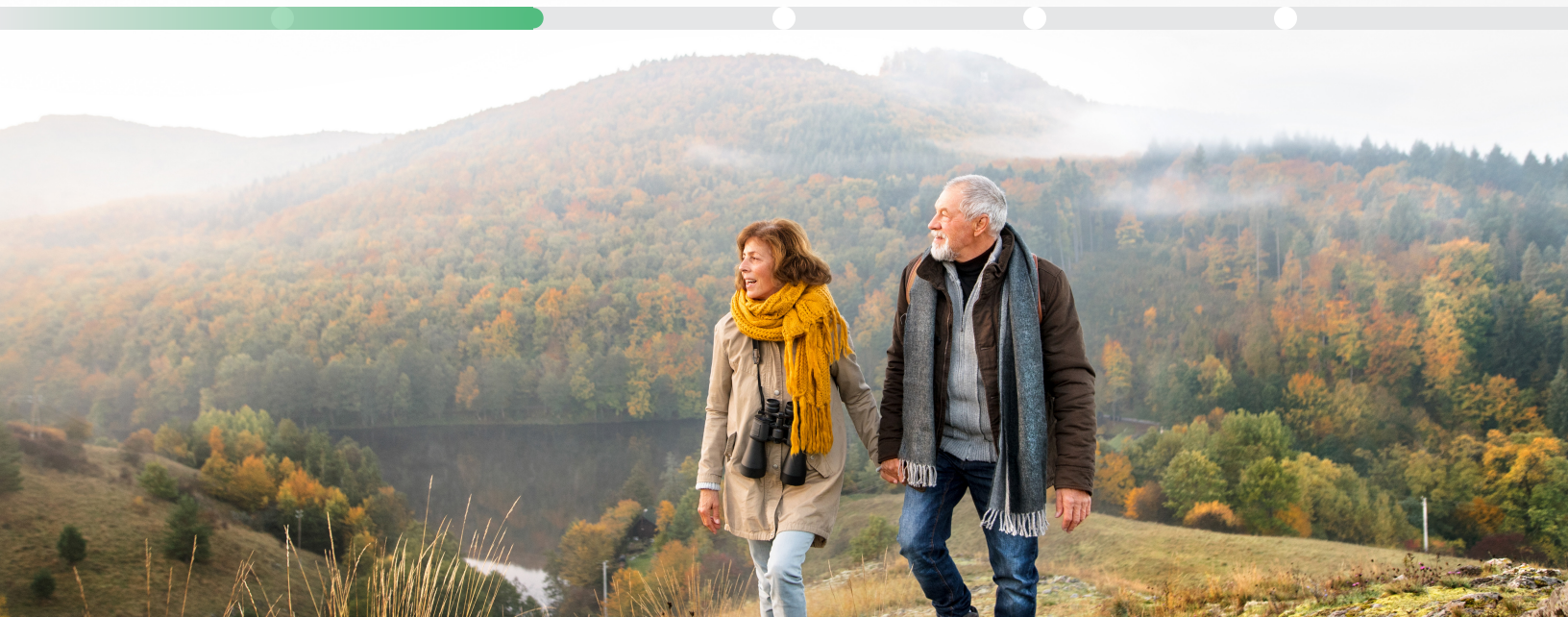
- Core documents are your essentials:
 - **Will (distribution of assets, guardianship):** Outlines how assets are distributed and who will act as executor and/or guardian.
 - **Financial Power of Attorney:** Authorizes a trusted person to handle financial decisions if you cannot.
 - **Health Care Proxy & Living Will:** Ensures medical decisions and end-of-life wishes are honored.
 - **Trust:** Allows your assets to be managed efficiently during your lifetime and transferred seamlessly at death, avoiding probate and ensuring privacy

Many assets, such as retirement accounts, life insurance, and brokerage accounts, pass via beneficiary designation, not through your Will. Titles and designations must align with your overall estate plan. A well-drafted Will can't fix a misaligned beneficiary form.

As an alternative, trusts can serve as both a compass and a safety line. While a trust is more intricate than a Will, it offers far greater protection and flexibility. A well-structured trust provides continuity and control, even in times of incapacity and that your wishes are carried out seamlessly for those who depend on you. For business owners, it preserves stability. For families, it brings peace of mind. By avoiding probate and maintaining privacy, a trust helps your legacy move forward smoothly, without unnecessary delays or public scrutiny.



TRAIL WARNING: Too many travelers stumble here by relying on online forms or failing to coordinate ownership of assets and beneficiary designations.



However, building your solid foundation isn't solely about collecting and completing paperwork. It becomes an interlocking framework of legal directives, ownership structures, and financial instruments designed to support every decision that follows. The Will directs distribution, but beneficiary designations override it; trusts dictate control, but their effectiveness depends on how assets are titled; powers of attorney allow continuity, but only if institutions will recognize them. For most, the true risk lies not in what's missing, but in what's inconsistent.

This is why estate planning should never be attempted in isolation. While online forms and templated solutions do offer the allure of convenience, they cannot interpret complexity or anticipate the unintended consequences of fragmented decisions as an advisor can.

A qualified financial advisor acts as the structural engineer of your plan. They collaborate with attorneys and accountants to ensure that each piece fits together with integrity. They translate evolving laws and family dynamics into coordinated action, preserving both clarity and control as circumstances change. They work with you, for you.

Without such ongoing alignment, even the most carefully drafted plan can erode. Establishing your foundation, then, is not simply the first step, it is the continuous discipline that ensures every step afterward rests on solid ground.

CROSSROADS:

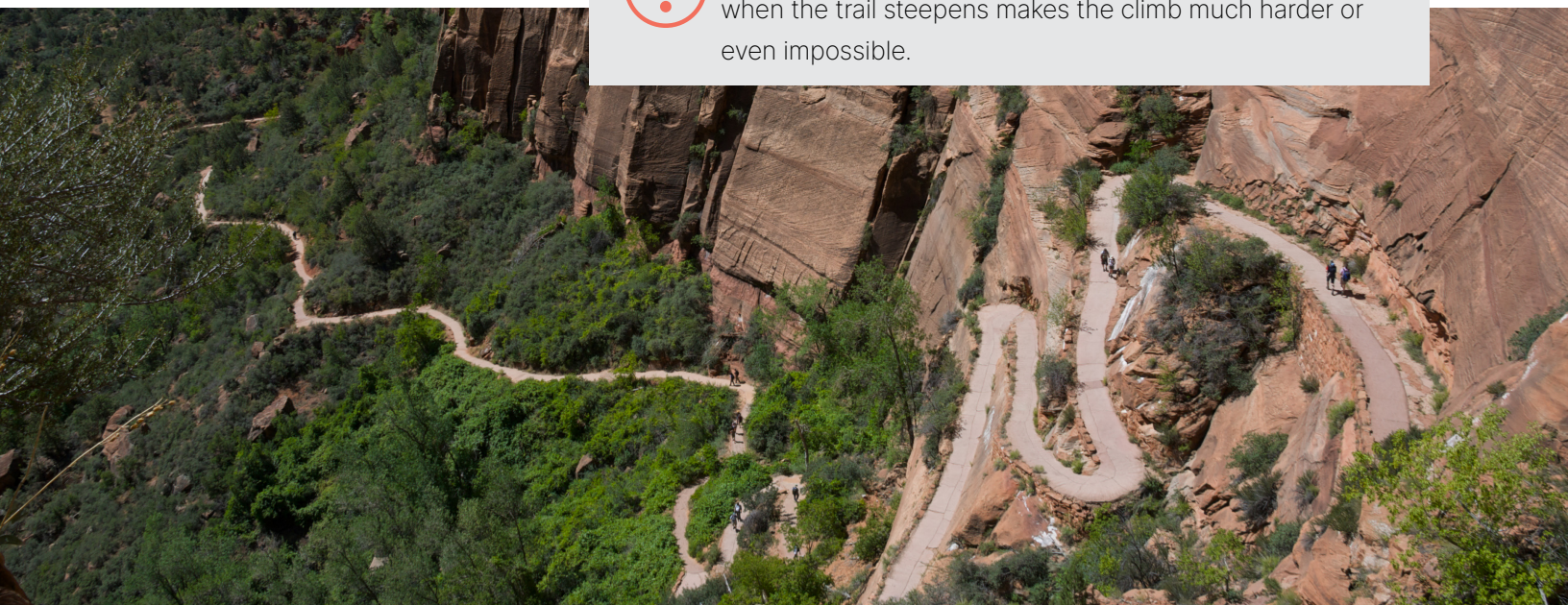
When Taxes Become a Possibility

As wealth grows, the path winds and forks with more complex terrain. To help on this part of the journey, families may consider more sophisticated techniques such as gifting to family and charity.

- **Estate Tax Possible:** Travelers may explore estate planning strategies like gifting to irrevocable trusts for the benefit of children and your spouse, or by creating an irrevocable life insurance trust to ensure life insurance proceeds will not be part of your taxable estate.
- **Estate Tax Concern / Significant:** Larger estates may require more technical structures (Family Limited Partnerships, Grantor Retained Annuity Trusts, sales to grantor trusts) and liquidity planning to avoid forced sales and efficiently preserve family wealth.



TRAIL WARNING: Waiting to fully engage in planning until when the trail steepens makes the climb much harder or even impossible.



SUMMIT VIEWS:

Beyond Taxes to Legacy

Once the steepest climbs are behind, you see the broader horizon: estate planning isn't just about avoiding hazards, it's about the view you leave behind. A true legacy plan goes beyond minimizing taxes; it preserves relationships, expresses values, and shapes the impact your family leaves behind.

- Family Harmony: Ensure fairness and prevent disputes (what is "fair" vs. "equal" may often be different).
- Charitable Legacy: Create impact through bequests, donor advised funds, charitable trusts and foundations.
- Next-Generation Readiness: Use estate planning as a way to educate heirs and prepare them to steward wealth responsibly.



TRAIL WARNING: Focusing only on taxes but ignoring family dynamics may lead to upheavals later in the journey.



CHECKPOINT: A legacy is more than assets. It's values, stability, and opportunity passed forward.

Estate plans should promote peace, not conflict. Clear communication, fair structures, and trust planning can prevent disputes, especially in blended families or when some heirs are more involved in family business than others.

Crafting your plan is also a chance to educate future stewards. Whether through family meetings, trust services with mentorship elements, or the creation of Wills expressing your values, preparing heirs is as vital as preparing assets.

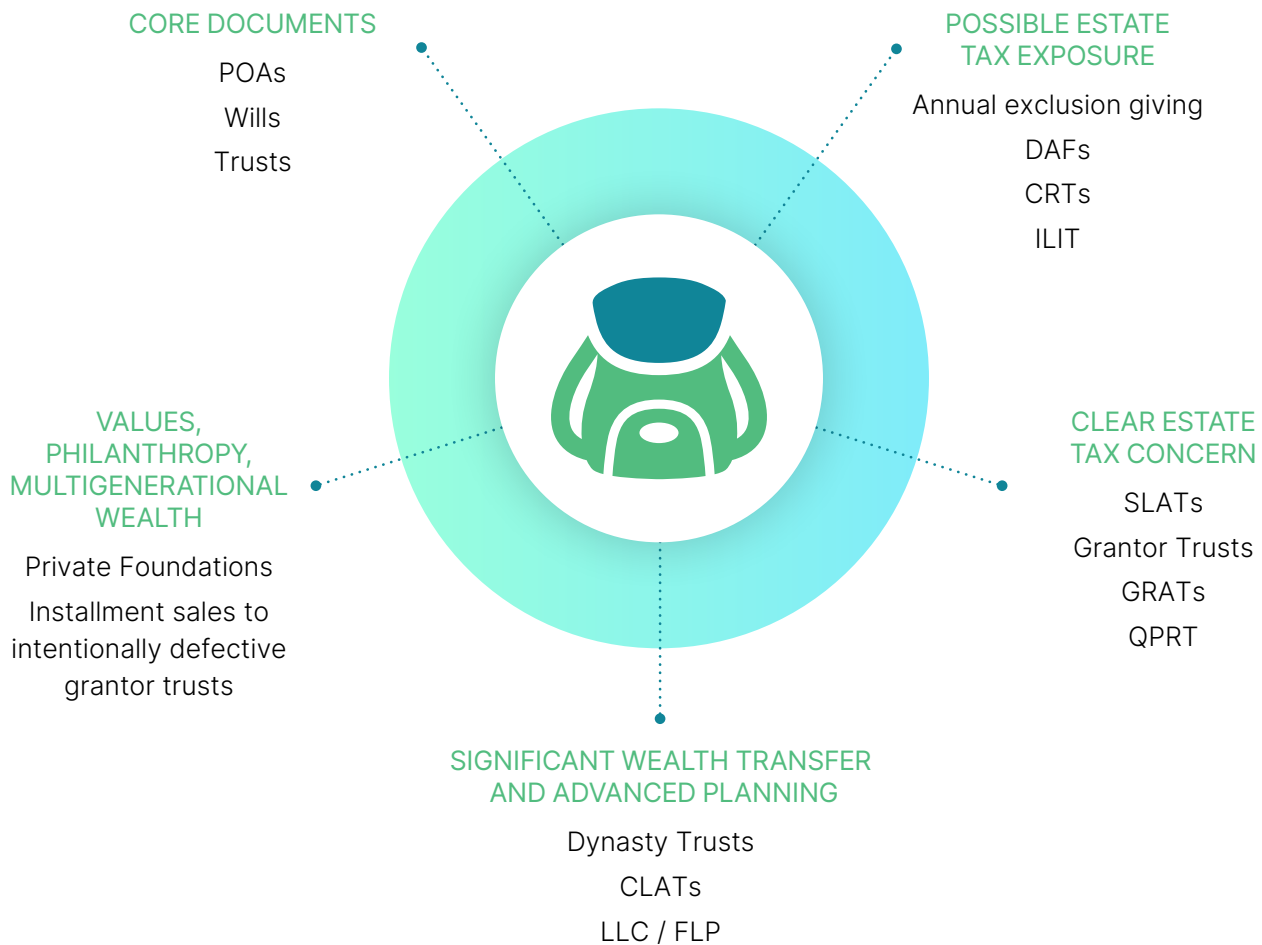
If giving is a large part of your family's values, it can be part of the climb, not just the view from the top. Charitable strategies such as donor advised funds, Charitable Remainder Trusts (CRTs), or Charitable Lead Trusts (CLTs) allow families to create lasting impact while receiving tax benefits.

Of course, the path changes as laws evolve, families grow, and goals shift. The key is to revisit your map regularly, adjust your route, and reinforce your foundations as needed, with a trusted advisor by your side.



TOOLBOX:

Estate Planning Survival Kit



At Composition Wealth, we walk beside you on this journey, partnering with your legal and tax advisors to make sure your legacy is built step by step, with clarity, foresight, and care.



Composition Wealth

Your Story is Our Story

Composition Wealth is an independent, registered investment advisory firm. As fiduciaries, we are focused on providing a best-in-class experience, advice, and technology tailored to evolve with you over time so that you can live the story you've always envisioned.

Want to Learn More? Contact Our Team.

[Composition.com](https://composition.com) | Info@Composition.com

Composition Wealth, LLC ("CW") is a registered investment advisor. Advisory services are only offered to clients or prospective clients where CW and its representatives are properly licensed or exempt from licensure. CW and its affiliates do not provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction.

UPDATED 5.04.26