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The Little Black Book of Billionaire Secrets

# Horror Stories: When You Die Without A Will



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If you're reading this story, there's a good chance you don't have a will or you don't have one that's up to date. That's because nearly three-quarters of Americans fit this description: 63% do not have a will at all, and another 9% have a will that is out of date, according to [a Google Consumer survey by USLegalWills.com](#).

It's not just young people without a lot of assets. Among seniors age 65 and older, only half have up-to-date wills in place, the survey found.

"We really wanted to explore this group after hearing from people who had a will, but had it written before they got married or had children," said Tim Hewson, CEO of USLegalWills.com, in the press release. "In essence, although they technically had a will, it was



worthless.”

What’s the big deal, you ask? Wills are expensive, and states have rules for handling these kinds of things anyway, right? While that’s true, there can be serious consequences to not putting an estate plan in place.



Here are some real stories from financial planners who watched clients struggle:

### **Death causes sibling infighting:**

“One client was a business owner with a \$3 million estate. He passed away at age 62 with no will, no spouse and no kids. Nine siblings were left to fight over his assets. The family of siblings was probably dysfunctional before, but this brought out the worst in all of them. The whole process was ugly and it took 18 months to close the estate.”  
—David Jackson, CFP, Kansas City, MO

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### **Children get nothing, new wife gets everything:**

“I had a friend whose father had remarried years after his first wife had passed away. The father had just retired when he suddenly required hospitalization. A week later, he died. He had no will, and at that time in Massachusetts, the default was that the current spouse got everything. The children were left with nothing—the new widow was nervous about having sufficient assets for the rest of her life, and so would not disclaim any of the inheritance. As a result, the widow and the children didn’t speak to each other for years.” –George Gagliardi, CFP, Lexington, MA

### **Life partner left without legal standing:**

“My maiden aunt lived, worked and died about 25 years ago in another state without leaving a will. I know her intentions were to leave her assets, including their home, to her life partner, but she never did the paperwork. It took three years to settle everything because her siblings and parents had passed and the nieces and nephews were



scattered all over the country. Imagine the heartbreak for her partner of having to sell the home and move since she could not afford to buy the house from the estate. All the funds were eventually disbursed to 11 others after time spent gathering death certificates and piling up legal fees.” –June Ann Schroeder, CFP, Elm Grove, WI

### **Life insurance ends up in the wrong hands:**

“I had a client who was a married couple with two young children. The husband was my primary contact and, eventually, he became completely unreachable. After several months, I lost total contact. Eventually I found out the husband ended up addicted to gambling and alcohol. They divorced and he committed suicide. His life insurance named ‘spouse’ as beneficiary, but she was no longer his wife. It ended up going to ‘next of kin,’ which was their children. Sounds great, but since they were minors and there was no will that established a trust, the state stepped in to manage the money. The mother had to go back to work and hire a nanny for the children. She asked the state if she could take the money that she was paying the nanny so she could stay at home with the kids. The answer was no.” – Clark Randall, CFP, Dallas

  
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## **Heirs are left trying to find everything:**

“As wise as my own father was, he never got around to creating a will, or documenting his assets and their locations. He died one day before 9/11 and all these years later, I am still trying to finish up his estate. It was a monumental detective work just to try to figure out exactly what he had and where. To make matters worse, the assets were in multiple countries, and continents.” –Kashif Ahmed, CFP, Woburn, MA

## **Partner owes enormous taxes on property:**

“I had a new client come to me to file a tax return including the sale of the home she had occupied for 30 years with her late common-law husband. Not having a lot of assets, he never felt the need to draft a will; and in order to take care of his common-law wife, on his deathbed, he sold her the house for \$1. Unfortunately, this state does not recognize common-law marriage, so she did not receive a step up in basis, and was liable for capital gains tax on the entire sale, less the commission and \$1 basis.” –Nathan Zielonka, CFP, Newton, MA

## **Process is time consuming and expensive:**

“I had a client who had been married to his wife over 35 years. His wife passed away in California

without a will or trust, which meant court filings and probate, just to get him named as the rightful sole beneficiary of her assets. It took us quite a bit of legwork to get his wife's assets transferred into his name, even once the court approved it. In the meantime, she had assets that we could not touch or manage. Her own death was an untimely accident, and she probably expected to live much longer than she did, but given the assets she and her husband had, not having an estate plan caused unnecessary expense and lost time." –Juan Ros, CFP, Thousand Oaks, CA CA +0.71%

In the end, an up-to-date will can save your loved ones a lot of time and trouble. "It shouldn't be left to someone else to decide how an estate is divided," Gagliardi says. "My plea to clients is: 'Be nice to your survivors, and don't go putting them in a difficult situation because you put off something that you should have done long ago.'"

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