

# What Does a Last Will and Testament Actually Do?

[Dori Zinn](#) February 18, 2023

Creating a last will and testament is a common way to share your wishes for how you want your assets and affairs handled after you die. While it's easy to proclaim that everyone should have a will, first we should understand what it does. A last will and testament is a legally bound document detailing how your heirs will receive your assets and wealth. But it doesn't come without its limitations. Here's what last will and testaments do and how they play a part in [your estate planning process](#).

## What Does a Last Will and Testament Do?

A last will and testament have many details including a list of what you want to happen with your assets, appointing an executor, naming beneficiaries and more. This will is a legal document that directs what will happen to your estate and dependents after you die. It's important to be thorough and detailed in the will. You may also want to work with your financial advisor and lawyer when preparing one.

### 1. Divides Your Assets

From your assets to your money, your will describes what you want to happen to your belongings. [In your will](#), you'll detail how you want certain assets to get handed out. For instance, you may leave your estate to your children or some artwork to a local museum. You can be as specific or as vague as you want, but the more details you provide, the easier it will be to follow.

### 2. Appoints an Executor

A last will and testament needs [an executor](#), or someone to carry out the wishes you detail in your will. Your executor is someone you trust to carry out your post-life plans by distributing your assets and other belongings.

While you can appoint anyone to be your executor, you should consider someone you trust completely to handle your affairs. It can be a grown child, other relative or someone you know on a professional level, like a lawyer or financial advisor.

### **3. Names Beneficiaries**

Any assets you want to pass along will need a beneficiary attached to them. For instance, if you pass along your home to a child, your child is a beneficiary. But [beneficiaries](#) aren't limited to people. Organizations can also be beneficiaries.

If you have valuable artwork, jewelry or other items, you may consider donating them to an organization. You can also donate money.

### **4. Goes Through Probate**

[Probate is the legal process](#) of validating a will after you've passed.

Depending on your assets and wealth, it could take from a few months to a few years to complete.

Your executor has about a month or so to file your will document with probate court. Probate happens with or without a will, but having a will ensures your wishes are carried out the way you wanted.

Probate also handles your debts. Your executor will contact any creditors about outstanding debts about using your assets to pay it off. After bills, taxes and other expenses are paid in full, the remaining estate can be distributed.

## 5. Allows Changes

If you made a will early on in your life and circumstances have changed, you're allowed to update your last will and testament. For example, if you've had children since you created your will, your updated version should detail their new guardian after your passing.

While a will is a legally binding document, changes happen. You can make amendments to your current will or create a new one to replace the old one. It's best to make changes as soon as they occur. In the event something happens to you and your will isn't updated, the courts decide how to handle your affairs.

## What Does a Will Not Do?

While a will does have some flexibility when it comes to being updated over the years, there are a few things it can't do after you die. For starters, a will can't leave money in a [living trust](#), 401(k) or IRA, especially if you have beneficiaries for each.

You also can't put stipulations on your beneficiaries in your will. For example, you can't state in your will that your daughter can get the \$10,000 you left her only after she breaks up with a boyfriend you never liked.

Another important detail that your will can't take care of is your [funeral](#). Your family and executor may not read the will until after your arrangements, so it's smart to discuss these details with them earlier in your life or write them down in a different document.

While Fido is surely a member of your family, too, your will can't leave money to your pet. Instead, your will can state who becomes Fido's new guardian with instructions for the pup's care.

Lastly, a will can't write itself. It's important to take the time to draft this

important document before your last days so that your belongings are taken care of. You can [write a will yourself](#) or work with a lawyer or financial advisor to ensure you covered all of your assets. It's never too early to draft a will either, so if you don't have one, consider creating one soon.

## The Bottom Line

A will is an important legal step in ensuring your assets and affairs are distributed how you please, but it's not your only option. You can also look into [creating a trust](#). This is where your assets are transferred to a trust and a trustee manages it. Most trusts skip the probate process and are easier to manage. This can be good for both you and your beneficiaries since probate can be a lengthy and expensive process. Before you create a will, explore your post-life options. You may find that there are better choices for your financial situation.

## Estate Planning Tips

- If you're confused about how to tackle your post-life affairs, reach out to a professional for help. Consider finding an estate lawyer or a financial planner who can navigate this space with you. Finding a financial advisor doesn't have to be hard. [SmartAsset's free tool](#) matches you with up to three vetted financial advisors who serve your area, and you can interview your advisor matches at no cost to decide which one is right for you. If you're ready to find an advisor who can help you achieve your financial goals, [get started now](#).
- [Estate planning](#) is a crucial part of getting older. As you reach retirement age, it's smart to update your will to ensure your wishes will be carried out the way you want.

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