HEIRMARK®

Estate Planning Workbook

2026 WORKBOOK
ESTATE PLANNING
DOCUMENTS & INFORMATION

Gather this information and these documents together for each policy in your life insurance portfolio. Having everything in one place helps you and your advisory team identify planning gaps, confirm proper alignment, and ensure your portfolio continues to support your goals.

A COMPLETE AUDIT STARTS WITH COMPLETE INFORMATION

PROTECT YOUR LEGACY

Make sure your policy supports your wishes and the people you intend to protect.

AVOID UNINTENDED CONSEQUENCES

Outdated designations can lead to unnecessary taxes, delays, and family conflicts.

OPTIMIZE POLICY VALUE

Ensure your policy is performing as expected and positioned to deliver its full potential.

DON'T LEAVE YOUR LEGACY TO CHANCE

Contact us to review your plan, identify potential gaps, and design solutions to help preserve your legacy for generations to come.

INFORMATION TO COMPLETE

Estimated Estate Value & Liquidity Needs
Federal Estate Tax Exposure ($15M Individual Exemption)
State Estate/Inheritance Tax Exposure (See Enclosed Chart)

Policy Owner Name(s)
Owner Type (Individual, Trust, LLC, etc.)
Ownership Percentage
Date Ownership Established or Last Updated

Primary Beneficiary(ies)
Beneficiary Percentage
Contingent Beneficiary(ies)
Date Beneficiary(ies) Established or Last Updated

Current Death Benefit
Loan Balance & Loan Interest Rate (if Applicable)

Current Premium Amount
Premium Frequency
Source of Premium Payments

Collateral Assignee Name (if Applicable)
Outstanding Lien Balance (if Applicable)

Term Policy: Conversion Deadline

Purpose of the Policy

DOCUMENTS TO GATHER

Current Policy Illustration

Recent Policy Statement

Premium Financing or Funding Agreement (if Applicable)

2026 WORKBOOK
STATE ESTATE & INHERITANCE TAX CHART

State-level estate and inheritance taxes can significantly reduce the wealth you pass on to your loved ones. Laws and exemptions vary by state, so proactive planning with the right life insurance strategy can help reduce out of pocket tax payments and preserve assets for who matters most.

KNOW THE TAXES
PRESERVE THE LEGACY

WHY IT MATTERS

State estate and inheritance taxes can reduce the wealth you pass on to your loved ones. Planning ahead can help decrease taxes, preserving your legacy.

DID YOU KNOW?

Even if you don't live in one of these states, you could still owe tax if you own property or have assets in a state that imposes these taxes.

HOW LIFE INSURANCE CAN HELP

Life insurance can provide liquidity to pay estate or inheritance taxes, helping your heirs avoid the need to sell assets.

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STATES WITH AN ESTATE TAX

STATE	EXEMPTION AMOUNT	TAX RATE
Connecticut	$15,000,000	12.0%
Hawaii	$5,490,000	10.0%-20.0%
Illinois	$4,000,000	0.8%-16.0%
Maine	$7,160,000	8.0%-12.0%
Maryland*	$5,000,000	0.8%-16.0%
Massachusetts	$2,000,000	0.8%-16.0%
Minnesota	$3,000,000	13.0%-16.0%
New York	$7,350,000	3.06%-16.0%
Oregon	$1,000,000	10.0%-16.0%
Rhode Island	$1,838,056	0.8%-16.0%
Vermont	$5,000,000	16.0%
Washington	$3,000,000	10.0%-20.0%
District of Columbia	$4,988,400	11.2%-16.0%

STATES WITH AN INHERITANCE TAX

STATE	EXEMPTION AMOUNT	TAX RATE
Kentucky	Class B: $1,000 Class C: $500	4%-16% 6%-16%
Maryland*	$1,000 (to Non-Exempt Heirs)	10%
Nebraska	Immediate Relatives: $100,000 Distant Relatives: $40,000 Unrelated People: $25,000	1% 11% 15%
New Jersey	Class C: $25,000 Class D: $0	11%-16% 15%-16%
Pennsylvania	Direct Descendants: $0 Siblings: $0 Unrelated People: $0	4.5% 12% 15%

*Maryland has both an estate tax and an inheritance tax.

2026 WORKBOOK
LIFE INSURANCE TRUST WORKSHEET

A trust that was drafted but never funded is just a piece of paper. It won't avoid probate, won't direct assets per the plan, and won't protect anything. A thorough review helps ensure the right beneficiaries are provided for, and your wishes are carried out.

AUDITING THE VEHICLES OF YOUR LEGACY

CONFIRM ALIGNMENT

Ensures your trusts still align with your goals, values, and current life situation.

IDENTIFY RISKS & GAPS

Helps uncover outdated provisions, missing documents, or potential tax or legal exposure.

TAX EFFICIENCY

Reveals opportunities to reduce estate taxes, improve cash flow, and enhance asset protection.

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LIFE INSURANCE HELD IN EACH TRUST

	Trust 1	Trust 2	Trust 3
Total Death Benefit (Minus Loan)			
Trust Beneficiaries			
Distribution % to Each Beneficiary			

CONSIDERATIONS

The correct trust needs to be named as owner of each life insurance policy.

After established, trust funding needs to be completed.

Real estate deeds should be in the name of the applicable trust.

Any assets acquired after the trust was established should be properly aligned with each trust.

Current and successor trustee designations should still align with estate planning.

Premium payments should be made from the trust account of the trust that owns the policy.

Changes in family dynamics might affect the desired trust structure.

The grantor's retained powers, trustee discretion, beneficiary powers, and substitution powers should all align with estate planning.

Any applicable spousal access should align with estate planning.

2026 WORKBOOK
BENEFICIARY DESIGNATION WORKSHEET

The right beneficiary today means the legacy you intend tomorrow. Your beneficiaries should reflect your current wishes, protect your loved ones, and work in harmony with your overall financial plan.

THOUGHTFUL PLANNING TODAY FOR GENERATIONS TO COME

PROTECT DEPENDENTS

Ensures your loved ones, including minor children or those with special needs, are properly provided for.

WISHES GRANTED

Ensures your life insurance proceeds go to the right people at the right time, per your wishes.

PREVENT CONFUSION

Clear, current designations help avoid emotional stress and disputes for loved ones.

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INTENDED HEIRS

Create a list of all intended heirs.

Any new members of the family to consider?

Any members of the family to remove?

ASSIGNED BENEFICIARIES

Create a list of life insurance policy beneficiaries, including trust beneficiaries when the policy is trust owned.

Does the list of beneficiaries align with the intended heirs?

Do you have any policies that list "estate" as the beneficiary?

CONSIDERATIONS

Minor children should not be directly named and should have a guardian or custodian appointed. This should be remedied when children reach age 18.

Contingent beneficiaries should be assigned to individually owned policies.

Estate equalization policies can be implemented to align estate planning.

Life insurance policies should have a named beneficiary, since an "estate" designation forces the payout to go through probate.

Providing guidance to each beneficiary for the intended inheritance or death benefit proceeds can set clear expectations for preserving the family's legacy.

Life insurance portfolios should be regularly restructured to reflect the current estate value and liquidity needs, and to benefit the current list of intended heirs.

2026 WORKBOOK GIFTING WORKSHEET

As laws, values, and life circumstances change, your gifting strategies should evolve, too. Strategic gifting can reduce your taxable estate, support the people and causes you care about, and create a legacy that extends for generations.

MAKE GIFTING A YEAR-ROUND HABIT

CONFIRM ALIGNMENT

Ensures your gifting strategies still align with your goals, values, and current life situation.

REDUCE TAXES

Strategic gifts can lower your taxable estate and preserve more wealth for your loved ones.

CREATE A LASTING LEGACY

A well-planned gifting strategy reflects your values and ensures your intentions are honored.

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GIFTING STRATEGIES

MAXIMIZE ANNUAL EXCLUSIONS	Use annual exclusion gifts strategically across family members and other beneficiaries to transfer wealth over time without consuming lifetime exemption.
LEVERAGE LIFETIME EXEMPTIONS	For substantial estates, lifetime gifting can move significant assets, and their future appreciation, outside the taxable estate.
GIFT APPRECIATING ASSETS	Consider transferring assets with significant growth potential, such as business interests, real estate, private investments, and other appreciating assets.
GIFT BEFORE A LIQUIDITY EVENT	When appropriate, transferring an interest in a business or other appreciating asset before a sale or liquidity event may shift future appreciation to the next generation or a trust.

CONSIDERATIONS

Life insurance can provide significant wealth-transfer leverage, particularly when ownership and beneficiary structures are carefully designed.

When you pay premium payments on a policy owned by someone else, those payments are gifts. Use the annual gift exclusion or lifetime exemption to manage tax impact.

An Irrevocable Life Insurance Trust (ILIT) may help keep life insurance proceeds outside the insured's taxable estate while providing liquidity and wealth-transfer benefits. Trusts need to be funded according to the chosen gifting strategy.

Funding life insurance premiums through an appropriately structured gifting strategy can help optimize the effectiveness of an insurance plan.

Gifting strategies should be reassessed as tax laws change. Plans built around the TCJA sunset should be reviewed.

2026 WORKBOOK
ESTATE PLANNING CHECKLIST

Life changes. So should your plan. An annual audit of your life insurance portfolio helps ensure your coverage, ownership, and beneficiaries still align with your goals and benefit your intended heirs. Schedule an annual review today and take control of your tomorrow.

A PLAN WORTH HAVING IS WORTH REVIEWING

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LIFE CHANGES

- [ ] Review for major life events: marriage, divorce, birth, adoption, estrangement, death, or retirement.
- [ ] Confirm your coverage still reflects your current needs and goals.

OWNERSHIP & CONTROL

- [ ] Confirm the primary and contingent policy owners are correct, and ownership aligns with your plan.
- [ ] Review any ownership changes, including trusts, entities, or business arrangements.

BENEFICIARY DESIGNATION

- [ ] Verify primary and contingent beneficiaries are up to date.
- [ ] Ensure designations align with your estate plan and current intentions.

POLICY PERFORMANCE

- [ ] Review cash value, loans, and withdrawals.
- [ ] Confirm the policy is performing as illustrated.

PREMIUMS & FUNDING

- [ ] Confirm premium payments are on track.
- [ ] Review payment methods and sources of funds.
- [ ] Evaluate if any policy paying options make sense to implement.

COLLATERAL ASSIGNMENT

- [ ] Verify if any collateral assignments are still necessary.
- [ ] Remove assignments when obligations have been satisfied.

ESTATE PLANNING ALIGNMENT

- [ ] Ensure the policy supports your estate plan and wealth transfer strategy for personal, business, and charitable giving goals.
- [ ] Review for potential federal estate tax or generation-skipping tax considerations.
- [ ] Review for state estate or inheritance tax considerations.

2026 WORKBOOK
MILESTONES & TRIGGERING EVENTS
PLANNING CALENDAR

YOUNG ADULT (18-30)	CAREER & GROWTH (30-40)	FUTURE FOCUSED (40-50)	ACCUMULATE (50-60)	RETIREMENT (60-70)	LEGACY YEARS (70+)
Starting Out, Building Your Future	Building Your Career & Family	Protecting Your Dependents	Increasing Wealth, Planning Ahead	Shifting Focus to Impact & Legacy Building	Preserving Legacy
Marriage Children Obtain your own coverage Establish insurable needs	Purchase a home Start or grow a business Additional dependents Increase income and/or debt	Adult children Lifestyle changes Review amount of coverage Retirement planning Long term care planning	Substantial increase in assets Grandchildren Business succession planning Advanced planning strategies	Review coverage for continued need Charitable giving Reassess estate goals Policy exit strategies	Review liquidity for estate tax State estate or inheritance tax Ensure documents remain current Confirm distribution plans

TRIGGERING EVENTS THAT SHOULD INSTIGATE A REVIEW

MARRIAGE OR DIVORCE
Reevaluate beneficiaries, ownership, and coverage amounts to reflect your new family situation.

BIRTH, ADOPTION, ESTRANGEMENT
Additions or losses in your family are a key reason to review coverage and beneficiaries.

INCREASED INCOME
More income can mean greater responsibility and may impact your coverage needs for income protection.

BUSINESS OWNERSHIP CHANGES
Buying, selling, or restructuring a business can impact insurance needs and ownership.

SIGNIFICANT CHANGE IN ASSETS
Growth, inheritance, or liquidity events might change your estate planning and insurance strategy.

VACATION HOME
Acquiring assets in other states or countries might impact taxes and planning strategies.

LEGISLATIVE CHANGES
Changes in tax laws or exemption limits can create opportunities or require adjustments to your plan.

CHANGE IN BENEFICIARY OR TRUSTEE
Deaths, conflicts, or changes in relationship may require updates to your plan.

AGE OF MAJORITY
As each child or grandchild turns 18, the estate plan needs to be structured to accommodate an adult instead of a minor.

ESTATE TAX ASSESSMENT
A net worth or estate value that exceeds the federal estate tax exemption can require additional planning.

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