



**Gross Estate:** For federal estate tax purposes, the total value of all property, real or personal, tangible or intangible, that a decedent had owned or had control over at the time of death.

**Guardian:** A person legally charged with the duty of taking care of another who, because of age, intellect, or health, is incapable of managing his or her own affairs. A conservator (see above) manages the property of a minor or incapacitated person. A person can be appointed both guardian and **Conservator**.

**Health Care Power of Attorney:** A durable power of attorney that appoints an agent to make a person's health care decisions in case he or she is incapacitated.

**Heir:** With no will, a person who is entitled to inherit property under state intestacy law; with a will, an heir is anyone who is named to receive property.

**Holographic Will:** A will entirely written in the handwriting of the testator (one making the will).

**Inherit:** To receive property from a deceased person.

**Intestate:** To die without a will.

**Irrevocable:** A term used to describe a trust in which the maker of the trust has, by the terms of the trust agreement, specifically given up the power to alter, amend, or terminate the trust.

**Joint Tenancy:** Ownership of property by two or more people where there is the right of survivorship; the surviving tenants receive the property at the death of a tenant.

**Letter of Last Instructions:** A signed letter that provides a detailed inventory of assets and liabilities, describes personal preferences about transfers of many odd pieces of personal property, and contains funeral and burial instructions.

**Liability:** Any money that a person owes others.

**Life Estate:** A condition created whereby a person has the right to use property only for his or her lifetime.

**Living Will:** A legal document that expresses a person's wishes regarding prolonging his or her life by artificial, extraordinary, or heroic measures when death is inevitable.

**Marital Deduction:** An estate or gift tax deduction allowed for property transferred to a living spouse.

**Nonprobate Property:** Assets that are not subject to the probate process, such as life insurance benefits, and property owned jointly with a right of survivorship.

**Pay on Death (POD):** Naming a beneficiary to receive an account balance on a party's death.

**Personal Property:** Property owned by the deceased individually, such as a car, jewelry, stocks or bank accounts, excluding real estate.

**Personal Representative:** person named in a will or appointed by the court to administer an estate (see **Executor**).

**Power of Attorney:** A written, notarized document in which one person gives another the power to conduct certain acts on his or her behalf.

**Probate:** A court-supervised procedure for validating a will (if there is one), paying debts, and distributing the property of a deceased person.

**Probate Property:** Property that is subject to the probate process, including the deceased's solely owned personal property and real estate.

**Real Property:** Real estate, land and buildings attached to the land, can include minerals and royalty interests.

**Revocable Living Trust:** A trust whose terms and provisions can be changed, modified, altered, amended or revoked. The power to do this resides with the maker of the trust.

**Securities:** Investment instruments, including stocks and bonds.

**Small Estate Administration:** A simplified administrative procedure with little court involvement and few costs for estates with limited value.

**Spendthrift Trust:** A trust that provides a fund for the maintenance of a beneficiary, which shelters the beneficiary's interest from the beneficiary's extravagance, incapacity and the claims of creditors.

**Spouse:** Either a husband or a wife.

**Taxable Estate:** The gross estate minus all deductions; this determines the estate tax.

**Tenancy in Common:** Real estate held by more than one person, in equal or unequal shares, without rights of survivorship.

**Testamentary Trust:** A trust established in a will which takes effect at the death of the testator (maker of the trust).

**Testator:** A man or woman who makes a will.

**Transfer on Death:** Designation on securities that allows the naming of a beneficiary to receive them on the death of a party.

**Trust:** A three-party arrangement by which the "grantor" transfers property to a "trustee" who holds and manages the property for a "beneficiary." Trusts can be revocable (meaning they can be changed) or irrevocable (they cannot be changed).

**Trustee:** The person or institution holding title to the trust property, appointed to execute, administer and carry out the terms of a trust for the benefit of the beneficiary.

**Trustor:** The person who establishes a trust. There can be more than one trustor.

**Will:** A written document representing the instructions of the deceased for the distribution of the estate.

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