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This New Year, put your digital estate plan into action

Most of us create a large digital footprint in our lifetimes – online banks, social media, subscriptions, online share trading and emails, to name just a few. How would your family cope with what to do with it all, if you were no longer around?

For many of us, it's hard enough remembering all the passwords and logins to the accounts and platforms we use online regularly – let alone the ones we use only sometimes.

The New Year, when many people are thinking about resolutions and getting their affairs in order, can be the perfect time to revisit your estate plan – and think about what you might be leaving behind in the digital and online arena, according to Marie Brownell, National Manager, Estate Planning, Equity Trustees.

"It is common to underestimate the time and work involved in being the executor of an estate and often one of the most difficult tasks is sifting through the reams of online information we leave behind," she said.

"However, there are steps you can take to document the right information for your executor to make the job more seamless for them."

Document everything

As a starting point, Ms Brownell recommends making a list of all the things your executor should be aware of, including bank accounts, superannuation, insurances, investments such as cryptocurrencies, utilities, memberships and subscriptions.

"Without the right information to hand, your estate could continue to accumulate unnecessary expenses for some time as your executor tries to find all the information they need," Ms Brownell said.

"Many people think about the high-level information such as bank accounts, but you should aim to record everything that would need to be actioned or cancelled, from direct debits to Amazon and Uber accounts."

Provide authorisation

Who can gain access to digital records is an emerging area of the law. In New South Wales, for example, proposals have been made to change current laws to allow an authorised person to access records on behalf of a person who has passed away or is incapacitated.

"The world is seeing an increase in the production and use of digital records. Most of us have accumulated a great deal of information that is stored digitally, either on personal devices or on a third party's server," Ms Brownell said.

"Trying to navigate all of this information without the right level of access can make the role of an executor much harder."

While passing on your passwords and logins is currently not legal in some states, Ms Brownell recommends adding a clause into your will to allow your executor to access, monitor and delete digital assets and records.

"Some providers, such as Google and Facebook, will allow you to appoint an account trustee to download some of your account content if unattended for an amount of time. However, this is an emerging area of the law and every provider is different," she said.



Start today

Ms Brownell said she often sees cases where people procrastinate over their estate plan, either because they don't want think about their own demise or because they fear the time, energy and cost involved.

"Whatever your fears about estate planning, make it a priority this New Year, as the damage that can result from your inaction will always be greater," she said.

"Once you have documented everything, you will benefit from the peace of mind of knowing your affairs and your loved ones will be taken care of when you are gone."

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