

ARIZONA ESTATE PLANNING CHECKLIST

The steps provided in the checklist below will guide individuals through the estate planning process in Arizona. If estate owners are uncertain of the purpose or execution process of estate planning documents, they may wish to seek legal counsel from a licensed attorney.

Step 1 - Establish Health Care Preferences

The principal (estate owner) will need to specify the type of health care they'd like to receive when they are incompetent and unable to express their medical desires. Part of establishing such information will require the nomination of a **health care agent** who will relay the principal's medical preferences to health care professionals. The agent's duties can include the acceptance or refusal of breathing machines and other life-prolonging medications.

[Medical Power of Attorney](#) - This document allows the principal to choose their health care agent and specify their desires regarding autopsy, organ donation, funeral/burial disposition, and the like.

- **Signing Requirements** ([§ 36-3221](#)) - The principal's signature must be notarized or witnessed in writing.

Step 2 - Establish Financial Preferences

Another important step in preparing an estate is to ensure that the principal's finances will continue to be managed in the event that their decision-making ability is restricted. For this purpose, the principal will need to designate a **financial agent** by completing a Durable (Financial) Power of Attorney. The financial agent will have permission to act on the principal's behalf and execute their financial requests until they regain the ability to do so or the document is revoked.

[Durable \(Financial\) Power of Attorney](#) - Executing this form allows the principal to choose their financial agent and bestow upon them specific powers with which they can handle the principal's finances.

- **Signing Requirements** ([§ 14-5501](#)) - Must be signed by the principal in the presence of one (1) witness who is not the financial agent, the financial agent's spouse, the financial agent's children, or the notary

public. The document must be authenticated by the principal's acknowledgment and an affidavit signed by the witness before a notary public.

Financial Powers Allowed

- Buy and Sell;
- Bank Accounts;
- Safe Deposit Boxes;
- Demand, Receive, Prosecute, or Defend (for Sums of Money);
- Brokerage Accounts;
- Employ Consultants;
- Insurance;
- Provide for Principal's Support;
- Income Tax Return.

Step 3 - Describe the Principal's Assets

Creating an inventory of the principal's assets can be a helpful tool when preparing the division of property among the beneficiaries defined in an estate distribution document. Therefore, the principal should use the [Assets List](#) to describe each item currently under their ownership. Descriptions included in the assets list will cover the principal's real estate, personal property, bank accounts, vehicles, and business entities.

Step 4 - Notify Beneficiaries

With the principal's assets identified, they can continue the estate planning process by naming the recipients of their estate. These individuals are the principal's beneficiaries and will be entitled to all or a portion of the principal's assets once they pass away. After nominating the beneficiaries, the principal should consider communicating with the individuals to be sure that they are prepared to inherit their property.

Step 5 - Designate Assets to Beneficiaries

The next step requires that the principal draft a document that lays out how their estate will be divided and distributed after they die. Depending on the preferences of the individual, they can choose to create a Last Will and Testament, Revocable Living Trust, or a combination of the two.

[Last Will and Testament \('Will'\)](#) - This form can be used to nominate beneficiaries and specify the assets each shall receive upon the principal's death. Execution of a Last Will and Testament is standard practice and is recommended for most estate plans. However, this document **does not avoid probate** which means there will be a public court proceeding to determine whether the Will is valid and whether any outside parties contest the validity of the document.

- **Signing Requirements** ([§ 14-2502](#)) - Must be signed by the testator and two (2) individuals who witnessed either the principal's signature or acknowledgment of the signature or acknowledgment of the will.

[Living Trust \(Revocable\)](#) - Creates an entity into which the principal can transfer ownership of their assets. The principal can nominate themselves or another party to act as trustee and manage the assets during their lifetime. After the principal dies, the Living Trust **will avoid probate** thus allowing the assets to be distributed to the beneficiaries immediately, free of court supervision.

- **Signing Requirements** (No Statutory Signing Requirement) - While there are no legal signing requirements, individuals are encouraged to sign in the presence of a notary public and two (2) witnesses.

Step 6 - Store Documents

After the principal has executed the estate planning documents, they should store the paperwork in a location that is secure and free from the reach of unauthorized parties. It may be best to deliver the documents to the principal's attorney or immediate family members. Whichever location is chosen should be easily accessible in the event of the principal's death or upon their incapacitation.

Arizona Estate Planning Laws

- **Medical Power of Attorney** - [Title 36, Chapter 32, Article 2](#)
- **Durable (Financial) Power of Attorney** - [Title 14, Chapter 5, Article 5](#)
- **Last Will and Testament** - [Title 14, Chapter 2, Article 5](#)
- **Revocable Living Trust** - [Title 11, Chapter 14, Article 6](#)