



7 STEPS TO LEAVE A FINANCIAL LEGACY



WISER WEALTH
MANAGEMENT



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Leaving a Meaningful Legacy

Most of us want to be part of something that outlives us , to **make a difference** that extends beyond our lifetime. It's this desire to leave a lasting legacy that gives meaning to the work we do, the wealth we build, and the values we pass on. It's what drives us to think not just about today, but about the generations that will follow.

However, leaving a meaningful financial legacy doesn't happen by accident. It requires careful thought, intentional planning, and the willingness to have important conversations with loved ones. What do you want your wealth to accomplish? Who do you want to impact? What values do you want your legacy to reflect?

At Wiser Wealth Management, we've spent over 20 years helping families navigate these very questions. Through that experience, we've identified seven key steps to help you begin crafting your own legacy plan, one that honors your values, protects your wealth, and provides clarity for those you care about most.



1. How to Preserve Your Legacy

There's an old saying: "Shirtsleeves to shirtsleeves in three generations." It reflects a common challenge among wealthy families, the wealth created by the first generation, often through entrepreneurial success or careful investing, is frequently lost by the third generation.

To break this cycle, estate planning attorney and author James Hughes Jr., in his book *"Family Wealth – Keep It in the Family,"* emphasizes the importance of creating a **Family Social Compact**, a formal agreement among family members that defines how wealth will be preserved, grown, and purposefully used across generations. This Social Compact isn't a one-time exercise, it must be reviewed and renewed with each generation to remain effective.

Legacy preservation requires more than smart investments and legal structures. According to Hughes, a successful Social Compact addresses three essential forms of family capital:

- **Human Capital** — the individual talents, values, and well-being of each family member.
- **Intellectual Capital** — the collective knowledge, education, and life experience of the family.
- **Financial Capital** — the wealth itself, including the strategies for managing, protecting, and growing it.



A well-designed Social Compact helps foster a culture where each family member is not only a beneficiary of wealth, but an active steward of it. This means encouraging individual purpose, nurturing strong work ethics, and promoting the pursuit of education and personal growth. It also means telling the family story, passing down the history, values, and vision that define your family's unique identity.

By defining a bold, clear mission for your wealth, you're not just preserving assets, you're creating a shared sense of purpose and responsibility that can strengthen family unity and guide future generations. This intentional approach to wealth preservation can mean the difference between simply passing down money, or building a lasting multigenerational legacy.

2. Assemble the Right Team

Creating a lasting legacy is about more than just wealth, it's about protecting assets, honoring your wishes, and providing for loved ones. A financial advisor, CPA, and estate planning attorney work together to craft a strategy that minimizes taxes, avoids legal pitfalls, and ensures a smooth transfer of wealth.

- **Financial Advisor** – A fiduciary financial advisor does more than manage investments, they create a long-term strategy tailored to your goals. From wealth preservation to tax-efficient withdrawals and charitable giving, they ensure your assets are structured to support both your lifetime needs and your legacy. They also serve as the quarterback of your financial team, coordinating with your CPA and attorney to align every aspect of your plan.
- **Certified Public Accountant (CPA)** – Taxes can significantly impact the wealth you leave behind. A CPA helps structure your financial affairs in the most tax-efficient way, minimizing estate taxes, capital gains taxes, and income taxes for beneficiaries.
- **Estate Planning Attorney** – Your attorney ensures that your legacy is legally protected and transferred according to your wishes. Without a proper estate plan, your heirs could face legal complications, probate delays, and unnecessary tax burdens.

Together, these professionals create a comprehensive legacy plan that goes beyond investments, it's about protecting your wealth, reducing taxes, and ensuring a smooth transfer of assets to future generations. By working with a coordinated team of fiduciary experts, you gain peace of mind knowing that your financial house is in order and your family's future is secure.



With the right team of trusted professionals, you can confidently design and implement a legacy plan that reflects your values, preserves your wealth, and sets future generations up for lasting success.

3. Build a Financial Plan

Once your team is in place, work with a financial advisor who specializes in **comprehensive financial planning** to design a plan that aligns with your legacy goals. Clearly defining your family's long-term objectives is essential, ensuring every financial decision supports your broader vision for preserving and growing wealth across generations.

However, a true **multigenerational financial plan** extends beyond investments. It should also address critical areas such as:

- **Retirement income planning** to ensure financial security for you and your spouse while optimizing wealth transfer.
- **Life insurance strategies** to protect your legacy and provide liquidity for estate taxes or inheritance purposes.
- **Property and casualty insurance** reviews to safeguard valuable assets like homes, businesses, and personal property.
- **Comprehensive estate planning** to minimize taxes, avoid probate, and ensure a smooth wealth transfer process.
- **Education planning** to invest in the intellectual capital of the next generation through tax-advantaged savings strategies.
- **Business succession planning** if you own a closely held business, ensuring a seamless transition or sale.
- **Philanthropic giving** strategies to incorporate charitable giving as part of your legacy, maximizing impact while offering tax benefits.

This financial plan will ultimately guide the construction of a well-diversified investment portfolio, incorporating a strategic mix of stocks, bonds, real estate, and other asset classes appropriate for your risk tolerance and legacy goals.

By working with a fiduciary financial advisor, you ensure that all aspects of your financial life are aligned to support your long-term legacy, providing security and clarity for generations to come.



4. Develop an Estate Plan

Estate planning is a crucial part of legacy planning, ensuring that your assets are protected, your wishes are honored, and your family's future is secure. It's more than just distributing wealth, it's about creating a structured plan that minimizes taxes, avoids legal complications, and provides clear guidance for future generations.

Tools like **trusts**, **family limited partnerships**, and **charitable giving** vehicles help manage and distribute assets in a structured way, ensuring your wealth is preserved and used according to your wishes. For business owners, succession planning is essential to facilitate a smooth transition, whether passing ownership to heirs or preparing for a sale. Without a proper estate plan, family businesses risk disruption, unnecessary taxes, or legal disputes.

Every family needs an estate plan. At a minimum, this should include:

- A **will**, to outline how assets will be distributed and who will care for minor children.
- A durable **power of attorney**, to designate someone to handle financial decisions if you become incapacitated.
- A **medical directive** (or healthcare proxy), to ensure your healthcare preferences are honored if you cannot make decisions for yourself.

By working with an estate planning attorney, you ensure that your wishes are legally documented and that your assets are structured to avoid unnecessary taxes, probate delays, and potential family conflicts. Estate planning not only secures your financial legacy but also provides peace of mind for you and your loved ones.

Estate planning is more than just transferring wealth, it's about protecting your legacy, minimizing taxes, and ensuring a smooth transition of assets while preserving family harmony.



5. Insurance and Legal Strategies

A crucial but often-overlooked aspect of legacy planning is ensuring that your wealth is protected and preserved for future generations. Without proper safeguards, even the most carefully built financial legacy can be diminished by lawsuits, accidents, natural disasters, or mismanagement. To pass on financial security, stability, and values, it's essential to have the right protections in place.

Key Steps to Protect Your Wealth:

- **Safeguard Your Family's Assets** – Regularly review your auto, home, and liability policies to ensure they align with your family's growing wealth and evolving needs. Inadequate coverage could lead to unexpected financial burdens for future generations.
- **Expand Protection with an Umbrella Policy** – This additional layer of coverage goes beyond standard home and auto insurance, providing extra liability protection that can shield your estate from large financial claims that might otherwise impact your heirs.
- **Protect Business Interests for Future Generations** – If you own a business, conducting a risk assessment and liability review every few years helps ensure that your company remains financially secure and is structured for a smooth succession. Without proper planning, business assets could become vulnerable, making it difficult for the next generation to maintain ownership.
- **Use Legal Structures for Asset Protection** – Setting up LLCs for rental properties and corporate entities for businesses helps separate personal wealth from business liabilities. This not only protects family assets but also ensures a seamless transition of wealth to the next generation.

By taking proactive steps to protect and structure your legacy, you help ensure that your hard-earned wealth continues to support, empower, and positively impact your family for generations to come.



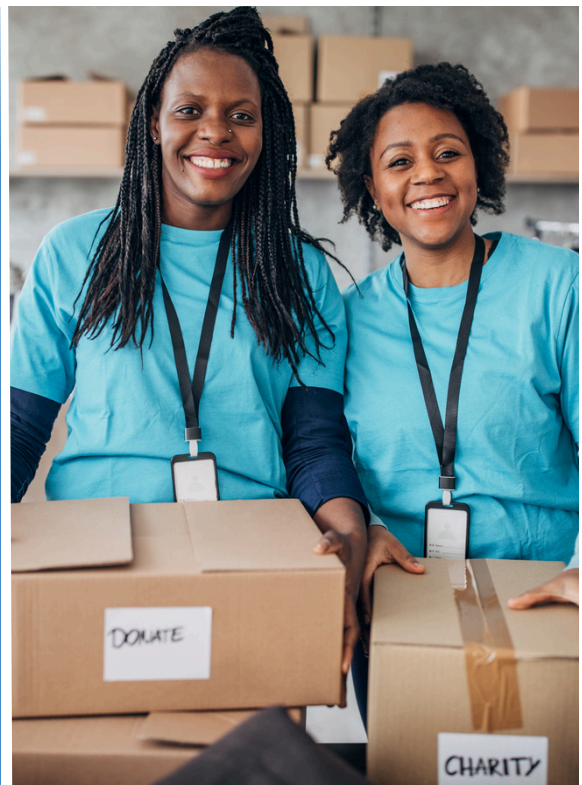
6. Philanthropic Legacy

Giving to charity is often considered for its **tax benefits**, but its impact extends far beyond deductions. Studies have shown that philanthropy can reduce stress, lower blood pressure, and increase overall well-being. More importantly, in legacy planning, charitable giving can become a core part of a family's mission, ensuring that wealth is not only preserved but also used to create a lasting positive impact on the community.

Incorporating philanthropy into your family's legacy helps instill values of generosity, responsibility, and purpose in future generations. An easy way to **pass on the spirit of giving** is by leading through example. When children and young family members see generosity in action, whether through donating to causes, volunteering time, or establishing charitable foundations, it reinforces the importance of supporting others.

Consider Asking:

- *How is your family helping its community with time and resources?*
- *What causes align with your family's values and mission?*
- *Are there ways to formalize giving through a donor-advised fund, charitable trust, or family foundation?*
- *How can younger generations be involved in charitable decision-making?*



By integrating **intentional giving** into your legacy plan, you ensure that your wealth has a lasting impact beyond financial success, shaping a legacy of generosity and purpose for generations to come.

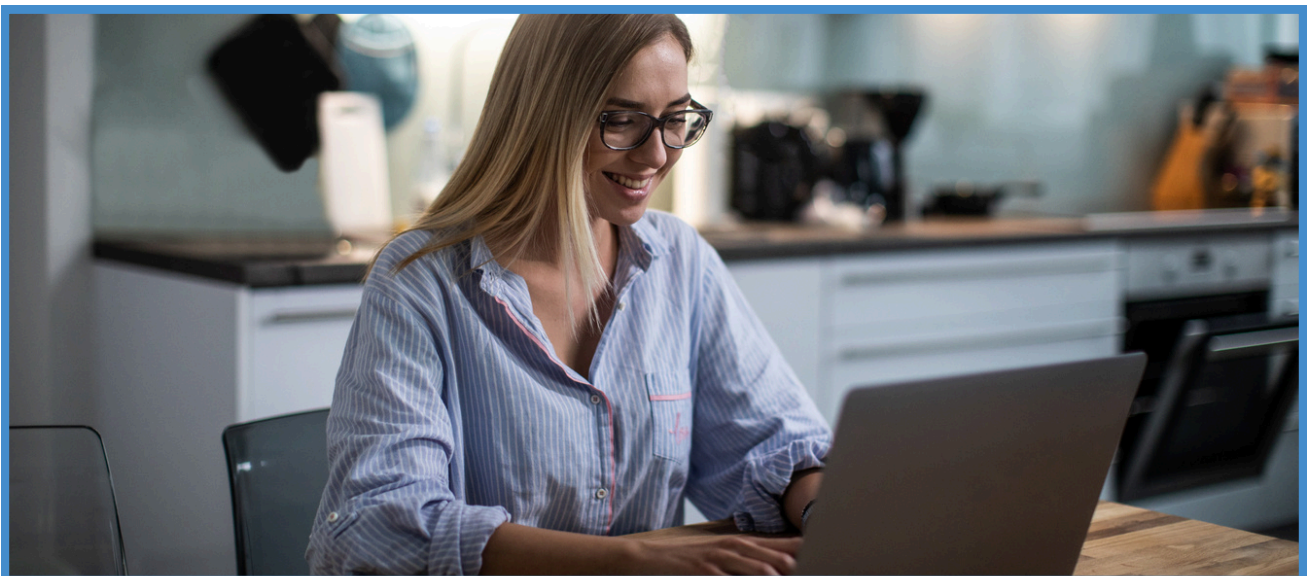
7. Educating the Next Generation

The best way for future generations to sustain and grow a financial legacy is through **financial literacy**. Teaching children and young adults how to manage money responsibly ensures they are equipped to make informed financial decisions and carry on the values that built the family's wealth.

This education can start at a young age, introducing concepts like saving, budgeting, and the value of hard work. As they grow, lessons should expand to investing, credit management, and understanding financial risks. By the time they reach adulthood, they should not only grasp the fundamentals of managing their own finances but also understand the broader **responsibilities of wealth stewardship** within the family.

Before college graduation, every family member should have a solid foundation in budgeting, debt management, and long-term financial planning. As young adults, they should become actively involved in the family's legacy planning, learning about estate structures, trusts, charitable giving, and how the family's wealth is designed to support future generations.

Beyond financial knowledge, it's essential for them to embrace the family's values, mission, and financial covenant, ensuring that wealth is preserved, wisely managed, and used to create meaningful impact for generations to come.



How We Can Help

At Wiser Wealth Management, we can help you craft a strategic legacy plan that protects your wealth and aligns with your values. Our fiduciary financial advisors can collaborate with estate attorneys, CPAs, and insurance professionals to create a comprehensive plan. With our guidance, we can help you build a lasting financial legacy for generations to come.

Wiser Wealth Management offers a complimentary 30-minute consultation with our financial advisors to better understand your unique situation and help guide you toward financial confidence. If you have questions about the seven steps to leaving a financial legacy or would like to [schedule a consultation](https://www.wierinvestor.com), call us at [770-580-1076](tel:770-580-1076). We're available to meet in person at our Marietta, Georgia office or virtually, whichever works best for you.



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