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5 estate planning steps for blended families

Avoid complications with these tips

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Blended families are the new normal. At least, that's been the case since the **2011 Canadian census** was released, which found that 12.6% of all families in the country are blended. Adjusting to step-family life can be a handful in the day-to-day (think *Cheaper by the Dozen*, although maybe with fewer kids) but things get even more complicated when it comes to financial matters and estate planning post-union.

If you're going to be heading a step-family of your own, there are five important ways to make the transition easier, financially, as *Advisor* reports.

1. Update your documents

In some provinces, a marriage could invalidate a previous will, so it's important to re-assess and update any estate-planning you may have done prior to remarrying. Also, make sure to update any beneficiaries you may have assigned, otherwise you could unintentionally leave your RRSP savings to an ex-spouse.

2. Choose an executor

Who do you pick to carry out the terms of your will? Your spouse, children from your previous relationship, your current relationship or a combination of all three? Avoid the confusion and awkwardness by designating a third-party like a lawyer or accountant.

3. Establish a trust

If you have specific parts of your estate you wish to pass on to children of a previous marriage, while still providing for your current spouse, a trust will ensure the correct division of assets.

4. Consider getting life insurance

The money from a policy would be available after death, adding to your estate. You could, for example, assign children from a previous marriage as beneficiaries to these funds, leaving another part of your estate for your spouse.

5. Sign a marriage contract

It's awkward, but could be very helpful for a second marriage, where estate planning isn't quite as straightforward as the first time around.

For more details on estate planning for blended families, head [here](#).