

Welcome. My name is Andrew Baron, and this is Well... It Depends! The podcast where I present the pros and cons of different financial decisions so that you, the audience, feel better informed when you're confronted with these decisions in your own life. In this episode, I ask the question, how do I leave a legacy?

[00:00:33:14 - 00:00:59:05]

Andrew Baron, CFP, EA:

But before we begin, a short disclaimer. This is being recorded on May 17th, 2023. The contents of this podcast are strictly for informational purposes only, and nothing such should be taken as investment, tax, or legal advice. It is important to consult with a professional before making any financial decisions, as the strategies discussed may not be suitable for you specifically.

[00:00:59:05 - 00:01:25:09]

Andrew Baron, CFP, EA:

Getting into it, how do I leave a legacy? Well... It Depends! When we talk about a legacy, it is not only about financial wealth. It's also about the impact you make on your family, your community, or even the world. The first thing that many people think about is leaving an inheritance to close friends and family members. This can make a lasting impact on their lives and help support them in the future.

[00:01:25:11 - 00:01:53:08]

Andrew Baron, CFP, EA:

However, there are a few considerations. The pro here is that you can ensure that your hard-earned wealth goes to support your loved ones. This can help them get a head start in life, support their education, or even help them start their own business. The con, however, is that large inheritances may bring a sense of entitlement. You could set up some of the assets to be held in trust and stipulate the way that the money will be spent.

[00:01:53:10 - 00:02:05:29]

Andrew Baron, CFP, EA:

This way, you can assure that the money won't be spent unwisely or too quickly. It's important to note that inheritances may be subject to tax, which can reduce the amount the beneficiaries ultimately receive.

[00:02:05:29 - 00:02:27:20]

Andrew Baron, CFP, EA:

On the other hand, some people choose to leave behind a legacy through philanthropy by donating to charities or establishing foundations.

[00:02:27:22 - 00:02:50:26]

Andrew Baron, CFP, EA:

This can be a wonderful way to give back to your community and have a lasting impact. The upside here is that your wealth will go on to help others and support causes that you care about. There may be significant tax benefits for charitable giving. The downside is that if you give away a significant amount of your wealth to charity, there will be less left over for your family.

[00:02:50:29 - 00:02:59:22]

Andrew Baron, CFP, EA:

It is crucial to research any organizations that you support to make sure that they are reputable and will use your donations effectively.

[00:02:59:22 - 00:03:26:14]

Andrew Baron, CFP, EA:

Before we wrap up on leaving behind a legacy, there's one more piece we haven't discussed yet, which is creating a personal record of your life. In the current age of technology, recording has become more accessible than ever. You could make a video, write a memoir, or even simply take some pictures. This way, besides leaving behind a financial legacy, you also leave behind a rich personal history.

[00:03:26:17 - 00:03:50:20]

Andrew Baron, CFP, EA:

This can be a deeply meaningful way to connect with future generations. Your words, your voice, your expressions, and your stories all can serve as timeless treasures for your future descendants. It can give them a sense of where they came from, your values, and the experiences that shaped your life.

[00:03:50:20 - 00:04:09:05]

Andrew Baron, CFP, EA:

On the flip side, this can be a time-consuming process, and not everyone feels comfortable sharing about their lives. Others also may find this daunting if they feel that they lack the necessary technical skills. However, numerous platforms make this a relatively easy and straightforward process.

[00:04:09:05 - 00:04:24:06]

Andrew Baron, CFP, EA:

To recap, remember leaving a legacy can be about sharing the wealth you have grown over a lifetime with your heirs and favorite organizations. But it is not only about the tangible assets we leave behind.

[00:04:24:09 - 00:04:41:14]

Andrew Baron, CFP, EA:

It is about the love, the knowledge, and the values we share, the impact we have on the lives of others, the stories we tell, and the lessons we teach. So, to answer the question, how do I leave a legacy? Well... It Depends!