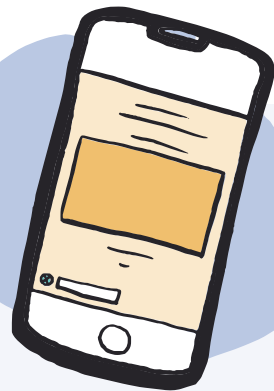
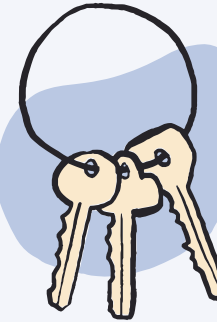


2023 ANNUAL STUDY

# Millennials and estate planning during a time of economic uncertainty



**trust  
& will**



The eldest Millennials are entering their forties, an age when many hope to be comfortable in their prime when it comes to establishing careers, building homes, and raising families. However, economic instability caused by the Covid-19 pandemic has drastically impacted these ‘peak’ years. More and more Millennials now also have to consider their aging parents, taking on the caregiver role earlier than previous generations.

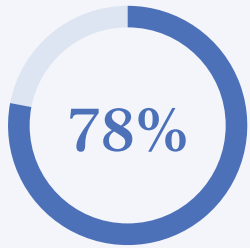
These factors motivate them to take a serious look at their finances and end-of-life plans: nearly one-third of those who completed their estate plans with Trust & Will in 2022 were between the ages of 25 and 44. For the third year in a row, we analyzed what went into their decisions.

Estate planning goes far beyond gifting money and assets to loved ones. It involves considering crucial healthcare decisions, appointing guardians for children and pets, and figuring out what should happen to our digital lives after we pass on.

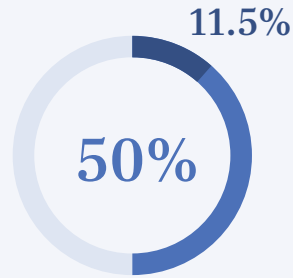
Data from 23,979 Trust & Will members who created estate plans last year offer revealing insights into Americans' reasoning behind these decisions.



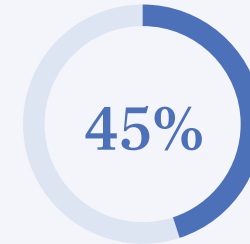
# Key findings



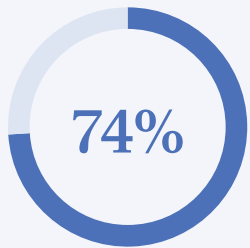
78% of Millennials said that building multigenerational wealth is essential to them, whereas only 45% of older generations said it was important



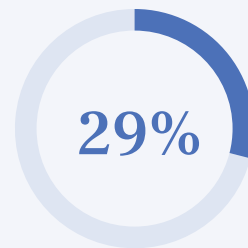
Over 50% of Millennials expect to receive an inheritance in their lifetime, but only 11.5% said they rely on one as part of their financial planning



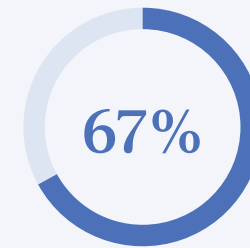
45% of Millennials said the housing crisis will impact their ability to pass on their wealth



74% of Millennials appointed a [digital executor](#) in their estate plans to handle their online affairs and social media accounts



Millennials are 29% more likely than older cohorts to want their emails, direct messages, and texts kept private from their family



67% of Millennials with net worths of \$50,000 or less chose to leave money to charity

# Introduction

Though the pandemic has loosened its grip on the country, 2022 was a year filled with economic uncertainty. Inflation reached forty-year highs, hitting everyone in the wallet. Many adults put off buying homes as mortgage rates have doubled over the last year. Several sectors, such as tech and media, saw large-scale layoffs, while numerous economists worried about the possibility of a recession.

But all of those current-moment anxieties haven't prevented Millennials from making crucial decisions about their legacies, despite their relatively young age. After all, the generation is primed to plan and adjust, having spent their formative years during other major upheavals, such as 9/11 and the 2008 recession.





# Taking care of loved ones is the strongest motivation

Caretaking in various forms is crucial to the Millennial estate planning calculus.

Thirty percent of Millennials surveyed already identify as ‘Sandwich Generation’ members – meaning they must care for their aging parents and young children. Experts [say that](#) baby boomer parents having children later in life than previous generations – and fewer of them – has pushed Millennials into this dual caregiving mode earlier. The pandemic [accelerated this trend](#) even more.

In general, Millennials start thinking about estate planning when they hit a major life milestone. According to our data, the primary driving force for this age group was having a child (31%), followed by buying a home (10%). Increased income or net worth and getting married were also common incentives.

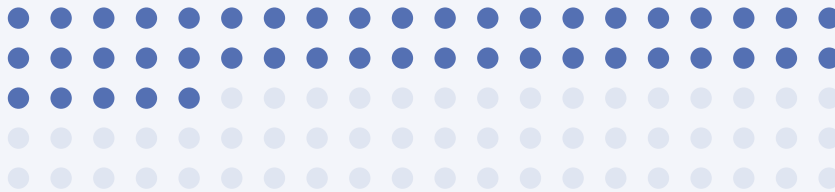
However, for people older than 44, the motivations to start estate planning were more associated with entering a different life stage. Retirement, health scares, and deaths in the family were among their top reasons.

Seventy-eight percent of Millennials said that building multi-generational wealth is important to them, whereas only 45% of the older cohort said this was a key consideration.



78%

of Millennials said that building multigenerational wealth is essential to them, whereas only 45% of older generations said it was important



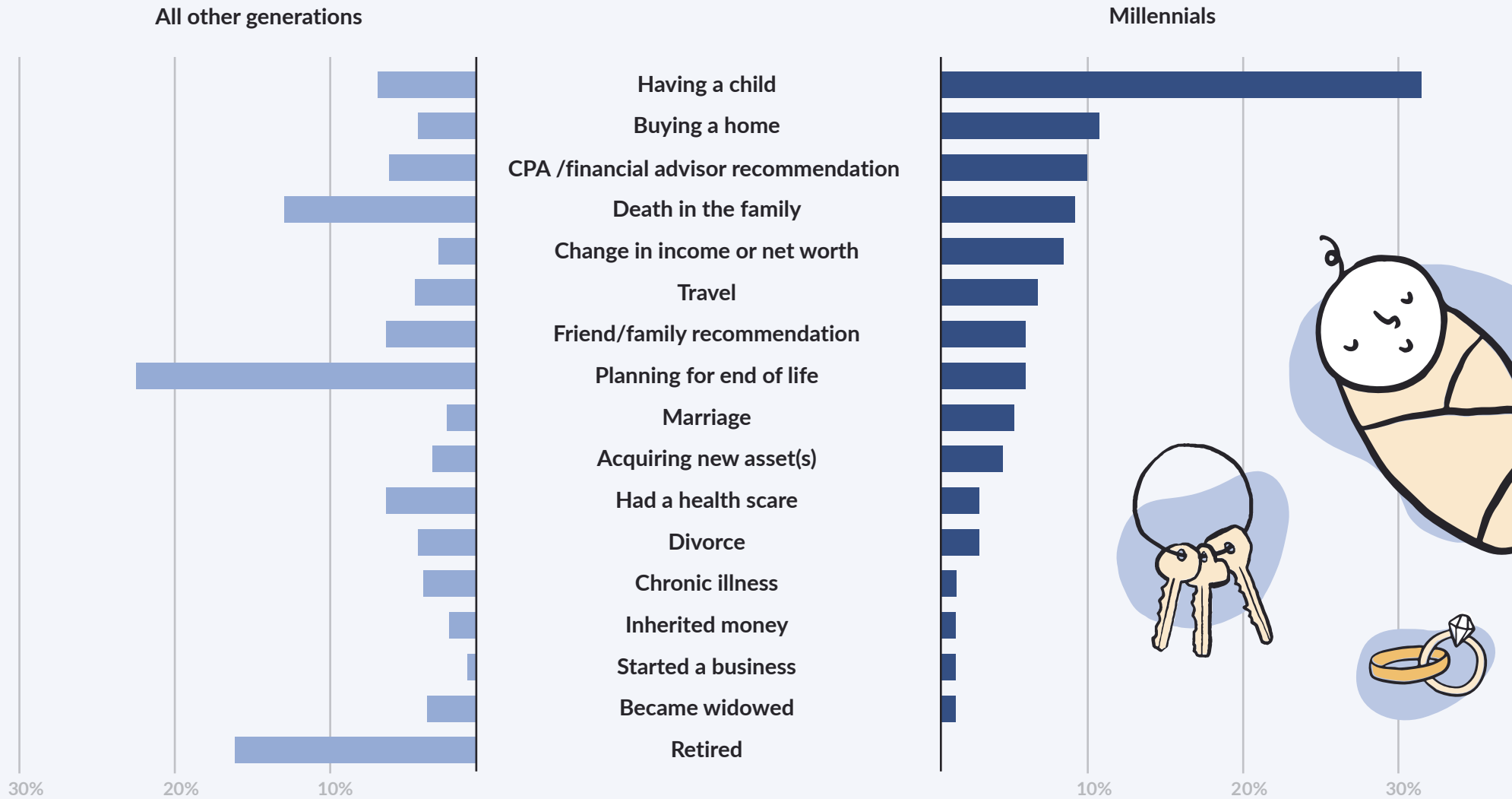
It makes perfect sense that Millennials are focused on their family's futures, with the majority (73%) of those surveyed having children under 18. Nearly all of them assigned their child a guardian in their estate plans (71%). Generally more accepting of nontraditional family arrangements than older generations, Millennials were significantly more open to designating a non-family member as a guardian of their child, executor, trustee, or beneficiary in their estate plans (27% vs. 19%).

Of course, fur babies count too. Since many Millennials have delayed having kids, or decided against having them at all, they [often report](#) that their caretaking focuses on pets. In fact, confirming [other research](#) that pet ownership among Millennials is particularly high, the cohort we surveyed was nearly 20% more likely to have pets than other age groups. And Millennials treat pets like family members, ensuring their well-being: 71% of the pet owners in our cohort assigned a guardian for their animal in their estate plan.

In total, Millennials designated approximately five people to handle their affairs across their documentation.



# What life event prompted you to create your estate plan?



# Estate planning amid a tough financial situation

As they plan for their own future and the future of their families, Millennials report that they are taking into consideration the precarious financial crisis around the world: nearly 70% of the cohort said they were looking at their finances more closely because of the recent economic turmoil.



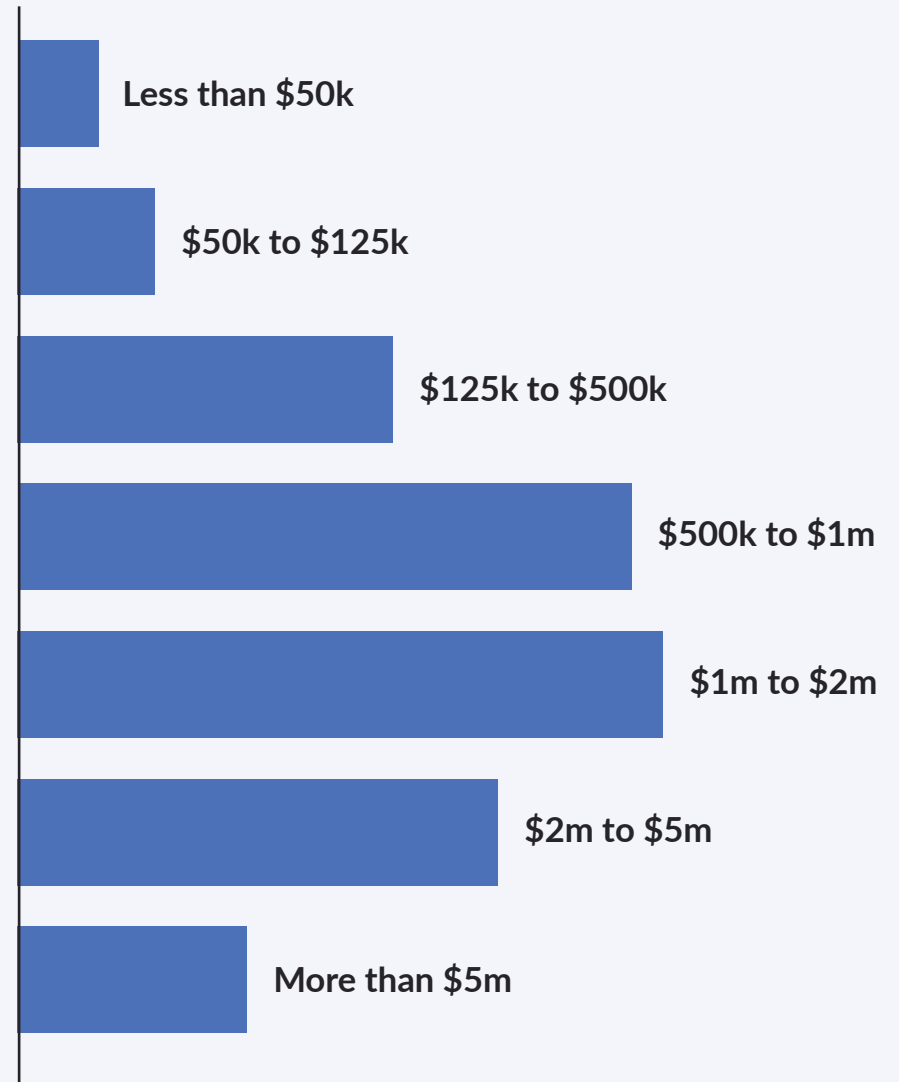
The housing market was particularly affected, with the percentage of first-time buyers dropping to an all-time low (26% vs. last year's 34%) and the age of the typical first-time buyer rising from 33 in 2021 to 36 in 2022, [according to the National Association of Realtors](#).

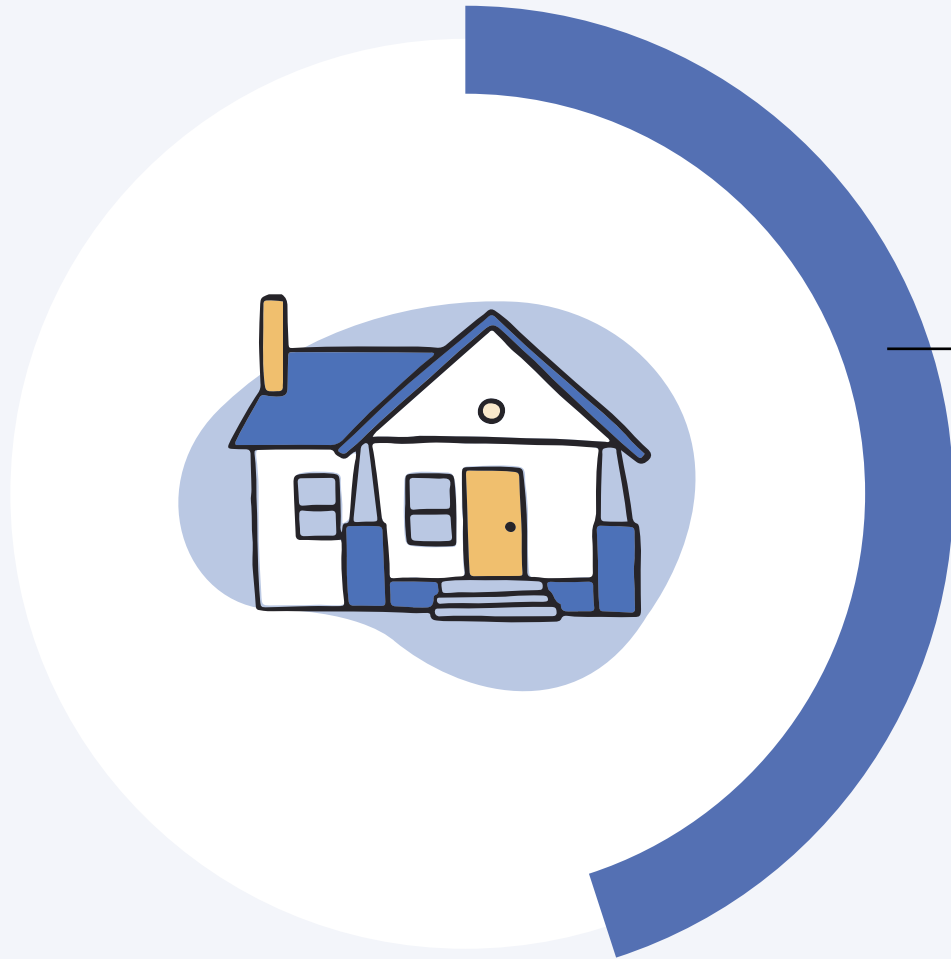
Our data bears this out. Nearly half (44%) of surveyed Millennials said that the housing crisis and rising mortgage rates had prevented them from buying property, and 45% said the housing situation would impact their ability to pass on their wealth.

Despite economic uncertainty, people of all means decide to start estate planning. Among our Millennial customers, 27% had a net worth between \$1 million and \$2 million, closely followed by those with a net worth of \$500K to \$1 million (25.5%). More than 20% of Millennials in our sample had a net worth of less than \$500K. Also, more than half of respondents expect to receive an inheritance, but very few (11.5%) said they rely on an inheritance as part of their financial planning.

“ Despite economic uncertainty, people of all means decide to start estate planning. ”

## Millennials' net worth in 2022





45%

of Millennials said the housing crisis would impact their ability to pass on their wealth

## Top charities that Millennials named in their estate plans



Planned  
Parenthood®



THE  
TREVOR  
PROJECT



ASPCA®



St. Jude Children's  
Research Hospital®

## Giving to charity

People of all financial situations also leave bequests to charity as part of their estate plans. In fact, our data shows that the lower your net worth, the more likely you are to leave a portion of your assets to a cause. While nearly 10% of Millennials overall designated a charity in their estate plan, a whopping 67% of those with net worths of \$50,000 or less, and 25% of those with net worths between \$50,000 and \$125,000, chose to do so. Planned Parenthood was the most popular charity, followed by St Jude Children's Research Hospital and The Trevor Project, which provides crisis support for LGBTQ youth. The average gift amount was \$22,257.

“ In fact, our data shows that the lower your net worth, the more likely you are to leave a portion of your assets to a cause. ”

# Beyond money: your digital legacy

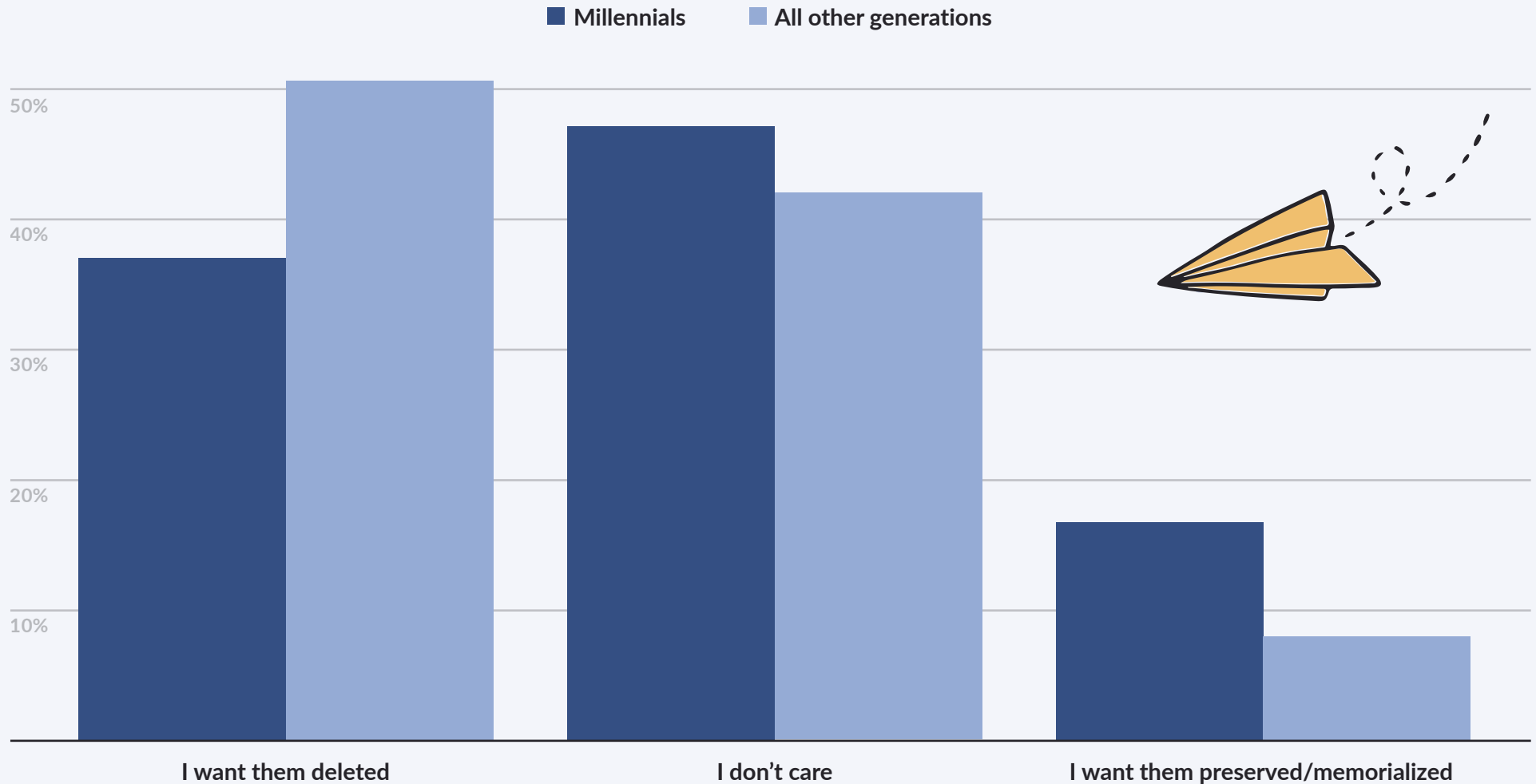
Unlike the process of distributing assets or designating guardians for children, there is an element of end-of-life planning that has no established best practices: the question of one's digital legacy, of what remains on smartphones, cloud storage, and social media accounts after we die. Millennials, the first digitally native generation, are including their digital lives in their end-of-life plans. Nearly three-quarters (72%) of the surveyed cohort say that at least one person has access to their passwords in case of an emergency, and 74% appointed a [digital executor](#) in their estate plans.

Millennials differ significantly from their parent's generation regarding what they want to happen with their digital communications when they pass, being 29% more likely than the older cohort to want their emails, direct messages, and texts kept private from their family. At the same time, they are more than twice as likely to want their social media preserved or memorialized when they pass, and 27% less likely to want their social media accounts deleted when they die.

“ Millennials are 29% more likely than the older cohort to want their emails, direct messages, and texts kept private from their family after death. ”



# What do you want to happen to your social media accounts after you die?

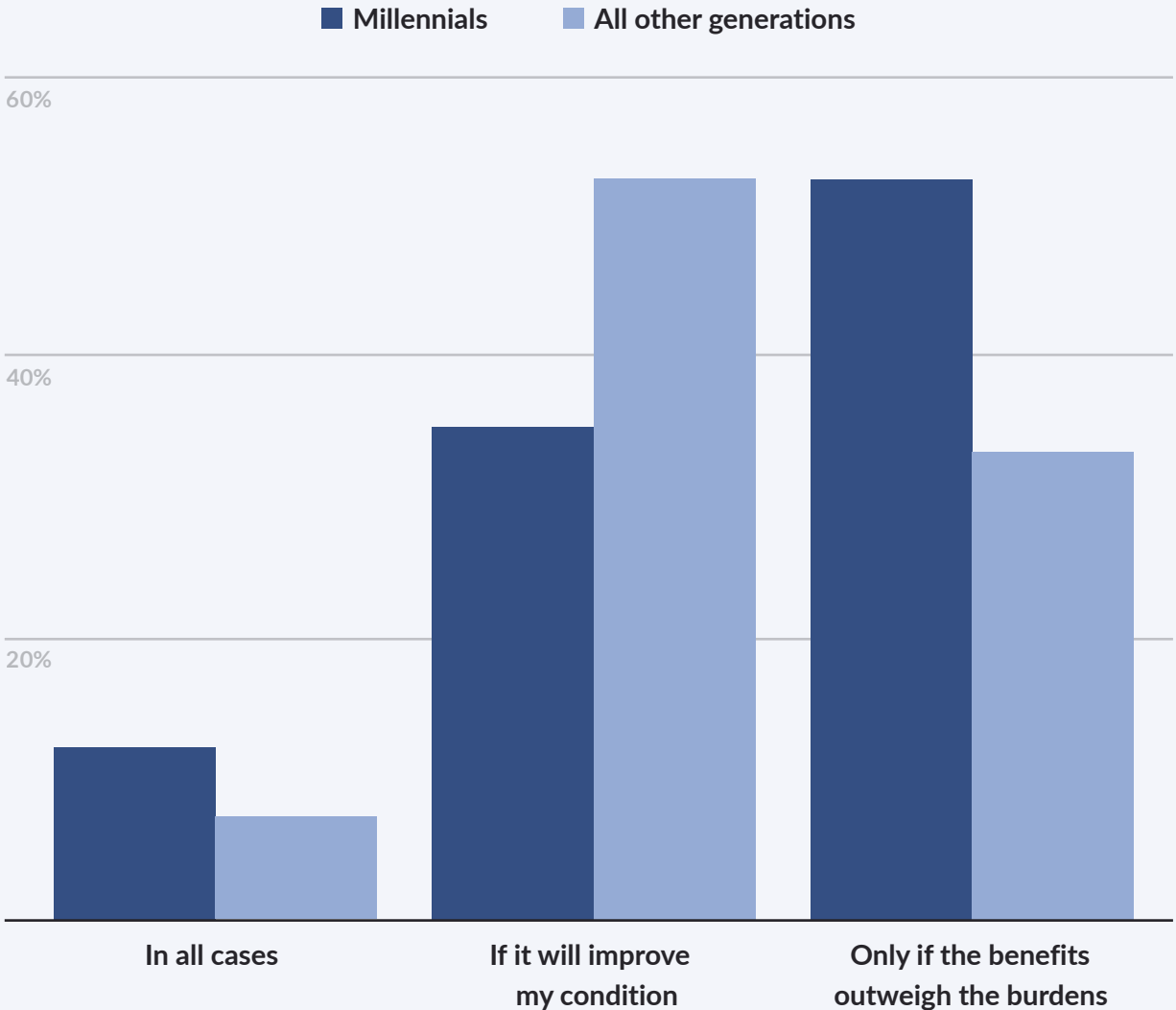


# In critical healthcare decisions, when do you want to receive care?

## Final wishes

Eighty percent of Millennials elected their healthcare wishes as part of their end-of-life planning. These healthcare documents typically include a HIPAA Authorization Form, which appoints who can access a patient's records; an Advanced Health Care Directive, which outlines their wishes about end-of-life care; and a Healthcare Power of Attorney.

In critical healthcare decisions, millennials want to receive care only if it will outweigh its burdens (53%). That's contrary to older cohorts, who prefer to receive care if there is any possibility it would improve their condition, whether it would outweigh the care's burdens or not (60%). Furthermore, most Millennials also opt to be organ donors (81%).



## Top requested memorial songs for Millennials

- 1 **Somewhere Over the Rainbow** Israel K's version ▶
- 2 **In My Life** The Beatles ▶
- 3 **I Was Here** Beyoncé ▶
- 4 **How Great Thou Art** Carrie Underwood ▶
- 5 **Three Little Birds** Bob Marley ▶
- 6 **Another One Bites the Dust** Queen ▶
- 7 **Dreams** Fleetwood Mac ▶
- 8 **These Three Words** Stevie Wonder ▶
- 9 **When I Get Where I'm Going** Dolly Parton & Brad Paisley ▶
- 10 **Sweet Thing** Van Morrison ▶

More than 97% of Millennials provide instructions for their preferred final arrangements in their estate plans. Nearly half of Millennials (40%) prefer a memorial to commemorate their lives, while nearly a third (30%) leave it up to their trustee to decide on the type of ceremony.

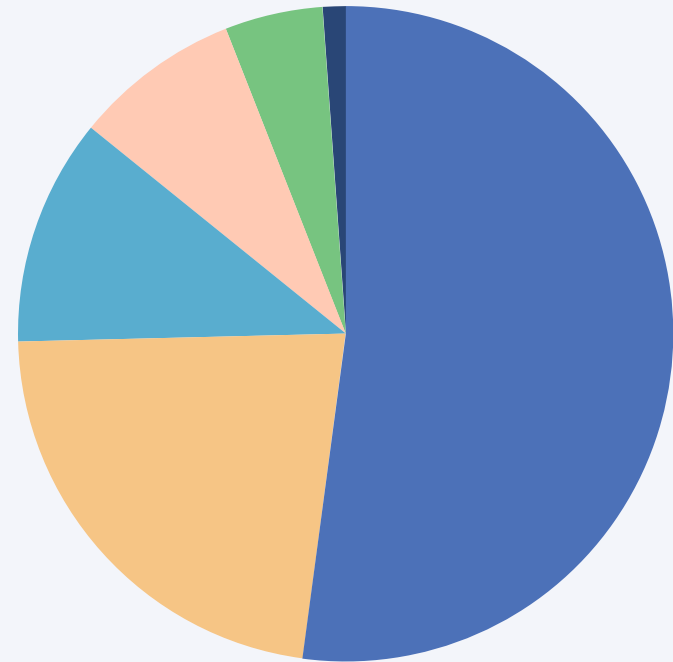
Many Millennials requested specific songs for their ceremonies. Aside from hymns such as “On Eagle’s Wings,” the most common song request is Israel Kamakawiwo’ole’s version of “Somewhere Over The Rainbow.” Many requested music by Beyoncé, The Beatles, Bob Marley, My Chemical Romance, and Wiz Khalifa.

“ Nearly half of Millennials (40%) prefer a memorial to commemorate their lives, while nearly a third (30%) leave it up to their trustee to decide on the type of ceremony. ”

When deciding what to do with their remains, Millennials overwhelmingly prefer cremation (51%), followed by traditional burial (22%). However, “alternative burials” are also increasing in popularity among Millennials. Thirteen percent of Millennials opted to donate their bodies to science or “other” compared to older generations at just 6%. Millennials also more likely than other generations to let their trustee make the decision on their behalf.



## Preferred burial types for Millennials



- Cremation
- Science
- Burial
- Other
- Trustee decision
- Mausoleum

# The sense of accomplishment after completing an estate plan is real

Whether it's because you have to consider such questions as who'd be the best guardian for your child or how to divide your assets among loved ones, it can be an intimidating decision to start estate planning, and many people tend to procrastinate. More than half of the surveyed cohort thought about getting an estate plan for 1-5 years before actually completing it.

Many people understandably feel daunted by the task of estate planning. "Overwhelmed" and "anxious" are the most common feelings described by Millennials before they start working on their estate plan. Since the decisions you make while creating your Trust or Will can have significant impact, it is common to linger on certain questions. Many Millennials reported getting stuck on funeral and end-of-life arrangements (34%) followed by choosing a guardian for their children or pets (30%).

But it's also clear that crossing estate planning off the to-do list brings people a sense of security. Many reported feeling "relieved" and "accomplished" upon finishing the documents.



Most common feelings **before** completing an estate plan

Overwhelmed Confused Unsure  
Worried  
Indifferent Nervous Anxious

---

Most common feelings **after** completing an estate plan

Accomplished Peace Better  
Safe Confident Relieved



## Conclusion

The timeline for many of life's traditional milestones has been delayed and jumbled for Millennials, especially compared to the generation of their parents and grandparents. The economic turmoil of 2022 threw an additional wrench into their plans. Despite this uncertainty – or because of it – Millennials value long-term stability. Most of the cohort we surveyed reported that creating multi-generational wealth was essential to them, echoing a strongly-held hope that things would be smoother for their children.

Overall, caregiving is a key aspect of Millennials' lives, and it informs their decision-making regarding estate planning. Most of the time, their choices are not dissimilar from older cohorts. Still, our data also shows some revealing differences, such as their respective approaches to critical healthcare decisions or their digital legacy.

# About Trust & Will

Trust & Will is simplifying estate planning and settlement with attorney-approved, legally valid documents and processes designed to adhere to individual state guidelines. Since 2017, we've helped hundreds of thousands of Trust & Will members leave their legacy with an affordable way to create an estate plan or settle the estate of a loved one. Our platform uses bank-level encryption that protects customer data and complies with the highest security standards, including SOC 2 and HIPAA. Trust & Will is the official estate planning benefit provider for AARP members, along with several leading financial institutions, who all believe in our mission of helping every family leave their legacy.

To learn more, visit [trustandwill.com](https://trustandwill.com).

## Methodology

Trust & Will analyzed proprietary data from 23,979 individuals, 7,832 of whom were aged 25-44, to explore specific insights and behaviors of the Millennial generation regarding estate planning.

