and financial experience. And be sure to check with them beforehand to make sure they accept. It can be a significant task and there may be reasons why they may have to decline. Also, if at all possible, do not appoint a non-resident executor (or someone who may become non-resident), as this may create financial and tax concerns. There is also the option to appoint a trust company, or an individual and a trust company, suggests Ball.

3) Consider the use of joint accounts

For situations where they may not already have access to your bank accounts and one of whom may also be the executor. "That way, they can pay the bills until the will gets probated," says Gore. Inform your financial institution in writing about this intention and make it clear in your will that this transfer to joint ownership has been done only to facilitate estate planning and management, and that there is no beneficial ownership change in the account. Keep in mind that transfers to a joint account may not be reversible, so the decision should be considered carefully. It may be possible to pay for some expenses with a deceased's bank account, so it may be worth determining what can and can't be done after death before a new account is set up.

4) Determine if life insurance is needed

Life insurance can help deal with two factors in estate planning – creating an estate to support your heirs after you are gone and preserving an existing estate if costs such as tax will arise on death. In either case, an evaluation should be done to establish the estate that you want to leave and determine if insurance is needed to bridge any gap. "If there will be a significant amount of funds in the estate and your heirs are not in need of specific financial assistance, then life insurance may not be necessary as the costs over the years may outweigh the benefits," says Ball. One key issue to consider is whether there will be assets that will not be liquidated after death and, at the same time, unpaid taxes. If there will not be enough funds to pay the tax, this may be a good situation to consider life insurance to make up the difference.

As an example, "you might have a cottage that you would like to leave to your children," says Gore. "You might have paid only $200,000 for it, but it's now worth $4 million. When you die (and if your spouse predeceased you), the deemed disposition of the cottage will trigger a capital gains tax assuming it is not designated as a principal residence. An insurance policy can put the cash into the estate to pay the tax bill." Otherwise, it may be necessary to sell the cottage. Similar issues arise for those in business where business ownership will be transferred on death within the family.

5) Consider a trust

It can be created on death as part of your will or in advance. "A trust could be useful in a number of circumstances, such as where a beneficiary may not be competent with money, they are a minor or there are children from a previous marriage where a spousal trust may make sense," says Ball.

The funds generally will be held in trust until the trust is no longer needed. Using a spousal trust as an example, the property can be held in trust during the surviving spouse's lifetime, allowing him or her to benefit from the income earned on the property while naming children from an earlier marriage as residual capital beneficiaries. The tax treatment of trusts can vary significantly depending on when and how they are set up, how long they will remain in place and who the intended beneficiaries are. Specific tax advice is highly recommended.

Plan ahead

However you arrange your affairs, remember that you should do it as early as possible, and ensure everything is well documented and easy to find. It is also important to get legal advice when creating a will and powers of attorney. Financial and tax advice is also recommended. As Gore explains, "There's really no such thing as retroactive tax planning. You cannot say, 'We bought this cottage for $100,000 and now it's worth $1

million. Can we just transfer it into a trust for the kids?' No, you cannot, because the transfer is assumed to take place at market value."

Gore adds that it's fine to give cash gifts to your children while you are still alive. "But, for assets that gain in value, such as businesses or shares, you will pay capital gains tax on the gift because a gift is considered the same for tax purposes as selling it at fair market value," he says. "You need to be planning way ahead." Also, care should be taken to ensure that you don't give away too much money too soon. It's much safer to keep more than you think you'll need and then distribute what's left as part of your will.

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