

## Money

### All Your Financial Worries, Solved: Will My Kids Blow Their Inheritance?

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Here's our 16-step guide to slaying your financial demons

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#### 6. Will My Kids Blow Their Inheritance?

A recent survey by PNC Wealth Management suggests that yes, they just might. One quarter of the affluent teens surveyed said they should be able to "buy anything they want," and 22 percent agreed with the sentence "I deserve to be rich because my parents are rich." To inoculate your children against Paris Hilton syndrome, start early. Experts recommend giving children an allowance to teach them how to save, budget, and spend within their means, regardless of *your* income. "Give them opportunities to practice with smaller sums of money and even make mistakes in the process," says estate-planning attorney Carol Warnick, a partner at Denver law firm Holland & Hart. If you still worry that your kids will



inherit more than they can handle, set up an irrevocable trust to hold the assets when you die. You can stipulate that they can't touch their inheritance until they finish college or reach a certain age, or

even that they must use the money to, say, buy a home or start a business. If that seems like too much parenting from beyond the grave, appoint trustees to disburse funds. New York estate-planning attorney Daniel Rubin suggests naming your kids as cotrustees, which will encourage them to learn money-management skills.

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