



## Account and Asset Titling

Making sure your accounts are titled correctly and your beneficiaries are up to date is an important, but often overlooked, part of a solid estate plan. When titling is aligned, it helps ensure your assets pass to your intended recipients. Unfortunately, many people unknowingly title accounts or name beneficiaries in ways that conflict with their wills or trusts. This guide is designed to help you avoid those common mistakes by breaking down the different ways accounts can be titled and how beneficiary designations work.

How an account is titled matters more than many people realize. In fact, it can preempt parts of your estate plan. For example, an account with a named beneficiary will pass to that beneficiary even if a will stipulates differently. Be sure to review your account titling and beneficiary designations regularly, especially upon significant life events such as marriage, divorce, and change of occupation.

Below are the most common types of account titles and what they mean from a legal standpoint.

### 1. Individually Titled Assets

Individually titled assets are owned by one person and are held in their name alone. Common examples include a bank account titled solely in your name or a personal investment account without a beneficiary. During life, the owner has full control of the asset, and no other party has legal rights to the asset unless granted via power of attorney. At death, assets generally become part of the probate estate, and distribution follows the will (or state intestacy laws if no will exists).

#### Items to consider

Individually titled assets offer simplicity and control but may not be efficient for estate transfer. Probate can be time consuming, public, and costly.

## 2. Joint Ownership

Joint titling allows two or more individuals to own an asset together. The structure of joint ownership determines what happens both during life and at death.

### Joint Tenants With Right of Survivorship (JTWROS)

JTWROS accounts are common for married couples and parent-child accounts. During life, all owners generally have equal rights to the asset, and one owner's actions may affect the entire asset. At death, the asset passes automatically to the surviving owner(s) and avoids probate for the deceased owner's share.

#### Items to consider

JTWROS accounts may unintentionally disinherit heirs by overriding provisions of the will. Also, this account type has gift tax implications when adding a non-spouse. This structure is often misunderstood and can create unintended tax consequences when used between parents and children.

### Tenants in Common (TIC)

TIC accounts are used by non-spouse co-owners, business partners, and blended families. During life, each owner controls their percentage interest, and ownership shares may be unequal. At death, the deceased owner's share passes via will or intestacy and is subject to probate.

#### Items to consider

TIC offers flexibility in estate planning, but it does not provide immediate transfer to heirs, because of probate. Also, coordination among heirs can become complex, particularly when multiple beneficiaries inherit fractional interests.

### Tenancy by the Entirety (where available)

This account type is available only for married couples in certain states. During life, both spouses are assumed to own 100% of the account, and therefore neither spouse can transact on the account without the other's consent. At death, the asset passes automatically to the surviving spouse.

#### Items to consider

Tenancy by the entirety may offer creditor protection from individual spouse debts. Availability depends on state law.



### 3. Trust Ownership

Trust ownership structures include revocable living trusts and irrevocable trusts. The benefits of trust ownership depend on the type of trust and how it is implemented. During life, with a revocable trust, the grantor retains control and can amend or revoke the trust. With irrevocable trusts, control is limited, and assets may be removed from the grantor's estate, depending on structure. At death, assets are distributed according to the trust terms and generally avoid probate.

#### Items to consider

Trust ownership provides continuity during incapacity, and it offers control over how and when beneficiaries receive assets. It may provide tax planning, asset protection, or special needs planning benefits. Trust ownership requires proper funding to be effective.

### 4. Beneficiary Designations

A beneficiary designation names the person or people who will receive your money or assets when you die. Many categories of assets use beneficiary designations, and certain accounts, such as life insurance and retirement accounts (IRAs, 401(k)s), require a beneficiary to be named, while other accounts may allow beneficiary-style designations, such as TOD and POD (discussed below).

During life, the owner maintains control and can usually change beneficiaries, and beneficiaries have no rights while the owner is living. At death, assets transfer directly to the named beneficiaries and avoid probate.

#### Items to consider

Beneficiary designations always override wills. For trusts, they override only if the trust is not properly named or coordinated. Beneficiary designations should be revisited and updated after significant life events such as marriage, divorce, or death. Lastly, special tax and distribution rules apply for minor beneficiaries and retirement accounts.



## 5. Transfer on Death (TOD)/ Payable on Death (POD) Designations

Transfer on death (TOD) and payable on death (POD) designations are a specific type of beneficiary designation used on certain bank and brokerage accounts and real estate in some states. They allow the account owner to name a person who will receive the asset at death. During life, the owner retains full control, and beneficiaries have no ownership rights. At death, the asset transfers directly to the named beneficiary and avoids probate.

### Items to consider

TOD and POD designations are simple and cost effective but offer limited flexibility compared with trusts. These designations override wills and trusts. They may not be appropriate for complex families, long-term planning, or advanced tax planning.

### Conclusion

Titling rules vary by state and the details matter, so it is important to work with your William Blair wealth advisor and a qualified estate-planning attorney to make sure your assets transfer the way you intend and align with your overall estate plan.

### USUALLY SUBJECT TO PROBATE



Cash, accounts and assets without TOD and POD designations

Personal property, including valuable items



Assets that allow naming of beneficiaries, but for which none have been named

Assets held as tenants in common



### NOT USUALLY SUBJECT TO PROBATE



Accounts that allow for the naming of beneficiaries including IRAs, defined contribution plans like 401(k)s or 403(b)s, equity compensation like stock options, and accounts and assets with TOD and POD designations

Trusts, including assets placed in trusts that might otherwise have to go through probate (cash, real estate)



Insurance policies with a named beneficiary or a trust as beneficiary

Real estate owned joint tenant with right of survivorship



Assets with joint ownership with right of survivorship

May 2026

The information presented is general in nature and does not take into account your specific financial, legal, or tax situation. It should not be relied upon as a substitute for personalized advice. Laws governing account titling, probate, taxation, and creditor rights vary by state and are subject to change.

Any examples are for illustrative purposes only and are not intended to predict or guarantee outcomes. Please consult your legal and tax advisors regarding your individual situation.