

# State of Estate Planning Report

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## 2025



## Understanding the modern estate planning landscape: A letter from Vanilla's CEO

At Vanilla, we've seen that estate planning creates opportunities to deepen client relationships by guiding them through some of the most personal and impactful decisions of their lives—decisions about who they care about most, how they want their wealth to serve future generations, and the legacy they want to leave behind.

We see the impact of estate planning every day on advisors and their clients. Since adopting Vanilla's estate planning platform, one leading national wealth advisory firm has increased revenue 2.2x in less than a year at offices that fully embraced the platform.

Why is estate planning correlated with revenue growth? We know that the majority of retail investors are increasingly looking to their financial advisors for estate planning services. But less than a quarter of advisors are providing them.

To better understand these evolving client needs, we've conducted our second *State of Estate Planning* survey of 1,000 consumers across the U.S., which offers critical insights into what people value in estate planning. The findings are eye-opening. Nearly 80% of respondents expect estate planning to be a core part of their financial advisor's services, and they're comfortable with their advisor using innovative technology like AI to enhance their service. The findings reflect a growing recognition that estate planning isn't just about transferring financial assets—it's about safeguarding legacies, protecting loved ones, and helping pass values on to future generations. In short, estate planning has become central to how clients manage their lives and legacy, not just their wealth.

Thank you for your continued trust in Vanilla as we work together to shape the future of this essential industry.

Gene Farrell  
CEO, Vanilla

## Key findings at-a-glance\*

- 93%** of respondents believe it's important to discuss estate plans with loved ones, with over two-thirds (68%) deeming it "very important."
- 60%** of respondents feel their financial legacy should NOT be tied to personal values...BUT when asked what their top priority is when thinking about legacy,...
- 41%** of respondents said their top priority was "ensuring my family upholds my personal values" and...
- 34%** of respondents said "structuring my finances to preserve wealth for the long term," which came in second
- 65%** of respondents rank trustworthiness as the most important factor when choosing someone to manage a trust on behalf of beneficiaries, while financial expertise was ranked most important by only 23%.
- 90%** of respondents are concerned about the impact of taxes (e.g., estate taxes, income taxes on IRA distributions, capital gains) on the assets they plan to pass on to their heirs.
- 80%** of respondents expect estate planning to be integrated into their advisor's offering, either directly or through collaboration.
- 75%** of respondents would be more likely to use an online estate planning platform if it offered personalized guidance from a live advisor.
- 80%** of respondents are comfortable with their advisors using AI or digital tools to draft estate plans, provided there is professional oversight.
- 60%** of respondents are skeptical that financial advisors can consistently outperform the market.

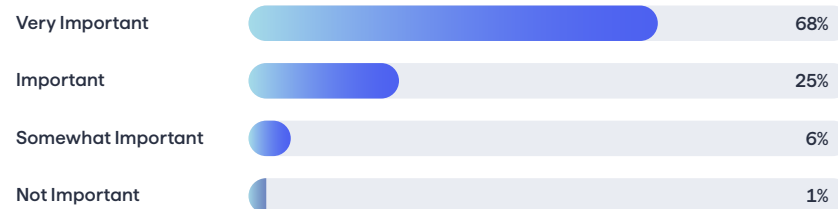
\*Some numbers have been rounded up or down to the nearest whole number value.

## Facilitating critical discussions

Estate planning isn't just a personal financial task—it's an emotional matter that impacts loved ones. Clients who fail to communicate their plans can expose their beneficiaries to misunderstandings, disputes, or surprises after they pass. Transparent discussions with loved ones can prevent future conflicts, manage expectations, and ensure that everyone understands the reasoning behind the decisions made in the estate plan.

**An overwhelming 93% of respondents believe it's important to discuss estate plans with loved ones**, with over two-thirds (68%) deeming it "very important." This speaks to the crucial role of communication in effective estate planning.

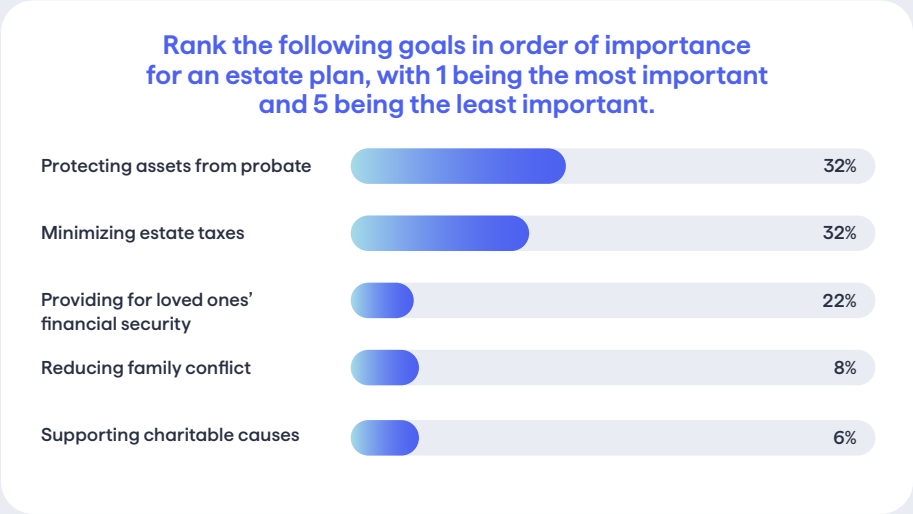
### How important do you think it is to discuss your estate plan with your loved ones?



Advisors should play an active role in encouraging and facilitating these conversations. Offering family meetings as part of the estate planning process can be a valuable service that differentiates advisors from competitors. These meetings can ensure that everyone is on the same page, leading to smoother estate transitions and fewer family disputes.

# Protection

According to respondents, **protecting assets from probate is a top priority when making an estate plan.**



Clients are increasingly looking for estate planning solutions that offer predictability and control. By minimizing the risk of probate, they can ensure that their family's financial future remains stable, avoiding unnecessary delays or disputes over asset distribution. Advisors can act on this by educating clients about the risks of probate and recommending strategies to avoid it, such as trusts and beneficiary designations. This proactive, holistic approach ensures smoother wealth transfers, enhances financial security for heirs, and strengthens long-term client relationships.

# Legacy

**Most people prioritize passing down values**  
Passing down values, beliefs, and cultures that define the family beyond just its financial assets is a critical aspect of estate planning for many families.

When asked what they consider most important as a reflection of their legacy, **ensuring family upholds personal values was the number one priority for most respondents (41%).**



**Yet clients are anxious about how to do that**  
While structuring financial wealth is relatively straightforward, ensuring that future generations uphold the family's principles is far more complex and uncertain.



## Legacy (continued)

### And most are unwilling to tie inheritance to values

Many respondents express a fear that their values won't be carried forward. **Nearly half (48%) doubt their heirs will share their values.** And even more were hesitant to impose strict enforcement of their values. This attitude suggests a desire to provide autonomy and flexibility for the next generation—trusting them to make their own decisions, even if those decisions diverge from the benefactor's values.

**Nearly 60% of respondents claimed that inheritance should not be tied to whether their heirs share their values.**

### If your heirs didn't share the same values or goals as you, would you still want them to inherit the same way?



The tension between financial freedom and the desire to pass down values is real and complex. Many benefactors want to provide heirs with the flexibility to live their own lives, but they also hope their family's values will endure. The key challenge is finding a balance between these two goals. Estate planners and advisors have a unique opportunity to help families navigate this emotional and practical dynamic. They can do this by offering creative solutions that honor autonomy while fostering the continuity of values across generations.

## Taxation

### High concern about taxes

**Nine in 10 respondents are concerned about the impact of taxes (e.g., estate taxes, income taxes on IRA distributions, capital gains) on the assets they plan to pass on to their heirs.** These concerns indicate that many respondents are keenly aware of how different types of taxes can erode their wealth

**Eighty-six percent (86%) of respondents believe that minimizing tax liability is important, and 57% view it as "very important."** This overwhelming sentiment shows that taxes are central to estate planning for most individuals, especially those with concerns about the impact on the wealth passed to heirs. As tax rates can severely deplete estates, it's clear that individuals want to preserve as much as possible for their beneficiaries.

### Which types of taxes are you most concerned about in relation to your estate plan?



(Select all that apply)

## Taxation

### Lack of proactive tax planning

**42%** have taken proactive steps to minimize taxes through planning with a professional

Despite these high levels of concern, less than half (42%) have taken proactive steps to minimize taxes through planning with a professional.

This gap suggests a significant opportunity for education and action in tax-efficient estate planning.

Many people may be either unaware of the strategies available to reduce tax burdens (like trusts, charitable giving, or Roth conversions) or they may not realize the urgency of acting sooner rather than later.

This inaction may also stem from the misconception that these issues only affect the ultra-wealthy. In reality, any estate can benefit from tax planning, especially when it comes to retirement accounts and capital gains.

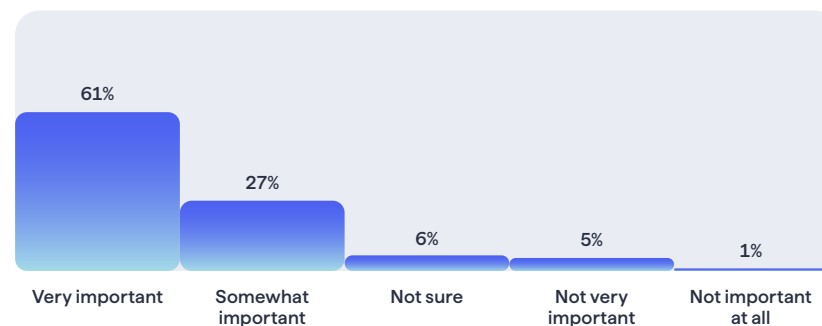
For advisors, this presents a massive opportunity to step in and educate clients on how to address taxes through strategies like gifting, trusts, Roth IRA conversions, and other tax-efficient wealth transfer techniques. There is a clear need for more proactive, educational conversations to turn this concern into actionable plans that protect family wealth.

## Taxation

### Demand for tax expertise in estate planning

Nearly 90% of respondents value tax expertise when selecting an estate planner, with 61% considering it “very important.”

How important is a professional’s expertise in navigating tax complexities when deciding to use their estate planning services?



This highlights that people recognize estate planning is more than just drafting a will—it’s about navigating the complex tax landscape to ensure the maximum amount of wealth reaches their heirs. With tax minimization a top priority, estate planners who can navigate these complexities and offer timely advice will be essential to preserving family wealth.

# Trusts

## An opportunity to educate clients

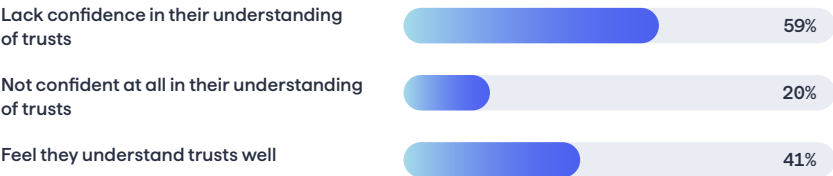
Many clients feel uncertain about how to use trusts effectively.

Nearly 60% of respondents lack confidence in their understanding of trusts, with 20% admitting to being “not confident at all.” Only a little over 40% feel they understand trusts well.

This presents a crucial opportunity for advisors to educate clients on how trusts can safeguard assets, manage wealth over time, and provide for heirs in a structured manner.

The top motivation for setting up a trust is “protecting assets from creditors or lawsuits,” with a striking 61% selecting this option.

### How confident are you in your understanding of the different types of trusts and their uses?



# Trusts

## Picking a Fiduciary

### Who do you feel is best suited to be a trustee?



This highlights a focus on personal relationships and values over technical financial skills when it comes to overseeing inheritances.

Furthermore, trustworthiness is overwhelmingly seen as the most important factor, with 64% of respondents prioritizing it when selecting someone to administer a trust. Financial expertise comes in second with only 23%.

People clearly want their wealth to be managed in a way that reflects their family's legacy and values, which is why trustworthiness and personal connection outweigh expertise.

For advisors, this underscores the need to balance emotional needs with practical financial strategies when helping clients structure their trusts. Engaging families in conversations about finding fiduciaries that embody both trustworthiness and financial acumen could be a key advisory opportunity.

## Estate planning is becoming non-negotiable

**80%** expect estate planning to be integrated into their advisor's role, either directly or through collaboration.

Offering estate planning, either directly or through collaboration, is becoming a baseline expectation for advisors, not an optional add-on.

**Nearly 80% expect estate planning to be integrated into their advisor's role, either directly or through collaboration.**

**More than half view estate planning as a non-negotiable service.**

It's not just that clients view estate planning as important; they specifically want their advisor to facilitate it. They expect advisors to offer holistic solutions that include wills, trusts, and inheritance planning.

Financial advisors who can offer estate planning directly or partner with estate specialists will be better positioned to retain clients and attract new ones. Advisors who fail to offer estate planning services may risk losing clients to competitors who offer a more integrated, full-service approach.

## Redefining advisor value

While almost 45% of respondents believe that financial advisors can still generate better returns than self-managed portfolios, **nearly 60% are skeptical that financial advisors can consistently outperform the market with individual stock picks.**

With 60% of consumers expressing doubt in advisors' ability to beat the market, there is a clear need for financial advisors to reframe their value beyond traditional investment advice.

Emphasizing holistic wealth management, long-term planning, and diversified strategies rather than market-beating stock selection will likely resonate more with today's clients. Advisors should reinforce how integrated services like estate planning, tax strategies, and retirement planning provide long-term value, not just market performance.

**"Today's clients expect advisors to give them more for the same fee. Being able to deliver well-considered estate strategies and visualizations helps clients clearly see how much they are getting for their fee."**

Grant Blindbury,  
Partner at FMB Wealth Management





# Digitization and AI

## Clients are comfortable with AI

Clients clearly see the value in AI enhancing efficiency without increasing costs, provided they still have access to expert advice.

82% of respondents are open to having their advisor use AI to draft parts of their estate plan.

41% are “very comfortable” with the idea, especially if there is professional oversight of the process and it doesn’t increase costs.

### How would you feel if your estate planning advisor used artificial intelligence or automated software to draft parts of your estate plan?



This highlights a growing acceptance of technology in traditionally human-centered tasks, particularly when there’s professional oversight involved.

For advisors, this highlights the importance of adopting technology that can help streamline processes and reduce overhead, allowing them to pass on cost savings to clients while focusing their expertise on more value-added services.

# How to use AI in Estate Planning

Advisors should aim to leverage AI for tasks like document preparation or calculations but provide personalized guidance for complex issues like family dynamics, trust structures, and tax strategies.

### AI for estate advisory

AI technologies are transforming estate planning for advisors and clients by enhancing efficiency, personalization, and scalability.

**Automation and efficiency** Automating estate plan creation, visualizing complex documents, and reducing manual tasks allow advisors to provide comprehensive, easy-to-understand estate summaries.

**Scenario modeling** Interactive tools simulate various planning scenarios, helping clients explore customized options and potential outcomes.

**Client engagement** Converting dense documents into dynamic visuals, enhancing client understanding and fostering deeper discussions on legacy goals.

**Scalability** AI supports a firm’s growth by enabling advisors to serve more clients without sacrificing quality.

**Real-time insights:** AI can ensure estate plans are updated with real-time changes, enabling proactive advice that adapts to clients’ evolving needs.

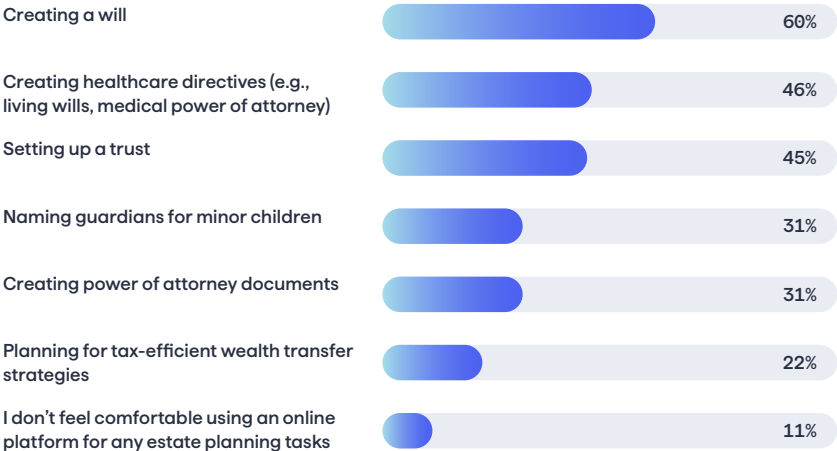
# Demand for comprehensive— but not DIY—platforms

## More than half of clients are comfortable with online tools

Over half of respondents (60%) feel comfortable using an online platform for tasks like creating a will, which is typically one of the simpler and more common aspects of estate planning.

However, as estate planning becomes more complex (such as choosing trusts, navigating tax implications, or addressing family dynamics) respondents are less comfortable with an online-only approach.

### Which aspects of estate planning would you feel comfortable handling through an online platform?

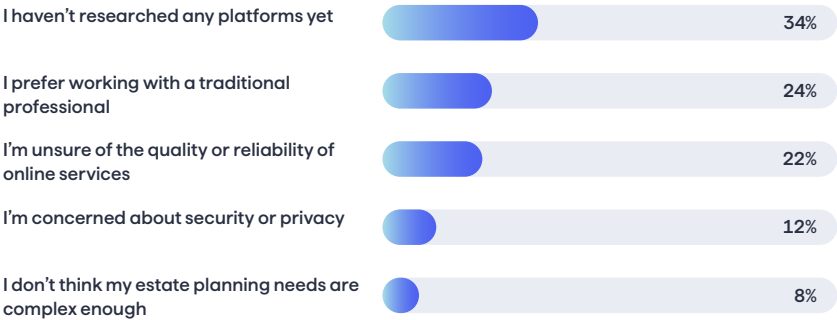


This suggests that people are willing to use technology for basic, standardized tasks but still want personalized advice for more intricate elements of estate planning.

## But some clients prefer to work with a professional

Clients are concerned about the quality, reliability, and security of online estate planning services. Estate plans involve highly sensitive information and often need to be bulletproof against legal challenges, which explains why many people are cautious about trusting a digital platform to handle it.

### If you've considered using an online platform for estate planning, what prevented you from moving forward?

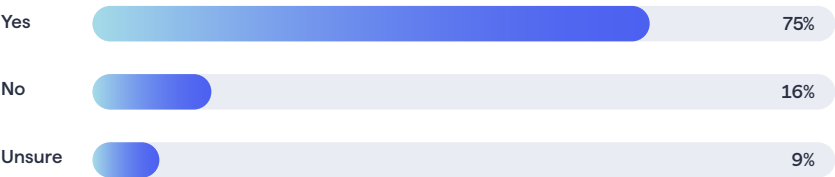


This shows a market opportunity for estate planners to leverage digital platforms while still providing personalized, expert oversight to ensure clients' plans are thorough, legally sound, and aligned with their unique goals.

# Demand for comprehensive— but not DIY—platforms (continued)

Guidance from an advisor and step-by-step instructions reduced hesitancy around using online services

Would you be more likely to use an online estate planning platform if it offered personalized guidance or support from a live advisor?



Which of the following would encourage you to use an online estate planning service?



This creates an opportunity for advisors to offer hybrid solutions—leveraging technology for simpler tasks, while providing high-touch support for intricate planning.

## Final Reflections

### The ongoing evolution of estate planning

The 2025 State of Estate Planning report highlights the rapidly evolving landscape of estate advisory services. Clients are increasingly viewing estate planning as a core element of holistic wealth management, not just a one-time task. The survey results show a strong preference for advisory services that integrate estate planning into broader financial strategies. Concerns around taxes, legacy preservation, and the desire for values-driven wealth transfer are driving more personalized and comprehensive estate strategies.

As clients increasingly demand more than traditional financial advice, the ability to blend personal service with cutting-edge technology will differentiate forward-thinking advisors from the rest. Estate planning is evolving rapidly. Staying ahead of these shifts by embracing a more comprehensive, tech-enabled approach will be crucial for maintaining competitive advantage in the industry.

The *2025 State of Estate Planning Report* reveals that the future belongs to those advisors who are not only skilled in financial management but also adept at guiding clients through the emotional and strategic aspects of estate planning. Advisors who can offer holistic, proactive advice—supported by innovative tools—will be well-positioned to build lasting, trust-based relationships, ensuring both their clients' financial well-being and their legacies are securely preserved for future generations.

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This document is just a sampling of our complete findings. To view and download the full *2025 State of Estate Planning Report*, visit [www.justvanilla.com/stateofestate](https://www.justvanilla.com/stateofestate).



**Vanilla is the world's first Estate Advisory Platform**, purpose-built for to help financial advisors deliver a modern, end-to-end estate planning experience. With Vanilla, advisors can provide clients with on-demand estate plans, AI-powered visual reports of how existing plans function, and real-time tax and scenario analysis. Advisors use Vanilla to deliver differentiated advice, deepen client relationships, and attract new business. For more information, visit [www.justvanilla.com](http://www.justvanilla.com)

