

Abstract: When it comes to financial planning, most of us spend our time guarding against things that could go wrong. But what if something really *good* happens? This brief article touches on some of the important concepts of managing a financial windfall.

You've hit the jackpot! Now what?

When it comes to financial planning, most of us spend our time guarding against things that could go wrong. But what if something really *good* happens? Hitting the jackpot is obviously a nice problem to have. Yet an unexpected influx of cash can drive even savvy individuals to do regrettable things.

Your first impulse upon experiencing a financial windfall may be to shout about it from the rooftops. But it's likely wiser to lie low and consider your options. A substantial sum of money could compel long-lost acquaintances and family to suddenly get in touch. And let's not even get into the identity theft risks.

Naturally, you'll need to consider the tax ramifications. There's no shortage of cautionary tales about the suddenly rich who've gotten into trouble with the IRS.

There are also family issues to consider. If you have minor children, you may want to establish trusts so that, should something happen to you, their finances will be well managed. Likewise, you may need to establish or rethink your estate plan to preserve family harmony and ensure your wishes are fulfilled after you die.

Reassess your insurance needs, too. Your newfound wealth may make you a bigger target for lawsuits should an accident occur on your property or while you're driving. Ask your insurance agent to review your existing coverage.

If good fortune has smiled upon you, please contact us. We can help ensure you don't underestimate the amount of taxes you'll have to pay, as well as assist you in planning your financial future.

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