

Stepfamily Day: Smart Estate Planning for Blended Families

Happy National Stepfamily Day to all who celebrate it! Amid shifting family structures, there is a good chance that you are part of a stepfamily—or know somebody who is—which makes September 16 a perfect day to celebrate.

At its heart, National Stepfamily Day is a celebration of second chances and the resilience it takes to embrace the unique challenges of blending families. Those challenges extend beyond trying to get along as “one big happy family” and into financial and legal realms where planning for the future requires as much care and sensitivity as navigating the family relationships themselves.

The Evolution of Stepfamilies

The “traditional” American family—two parents, first and only marriage for both, all children in common—is no longer the dominant household structure and has not been for decades.

With higher divorce rates, increased remarriage rates, and evolving social attitudes, today’s families are increasingly diverse.

In 2025, an estimated 41 percent of first marriages will end in divorce.¹ As of 2021, more than 2.4 million stepchildren live in US households, according to the US Census Bureau.²

However, even as the ranks of nontraditional families are expanding, the term *stepfamily* is falling out of favor. Some say that it carries a stigma and confers second-class status on stepparents and stepsiblings.

More families have adapted to embrace terms such as *blended* or *bonus* families to reflect their unique dynamics in a positive light and foster a sense of inclusion and connection. The law, however, has not evolved as quickly.

How the Law Treats Stepchildren

You may see no distinction between step- and blood relatives, but the law often does, and that can affect how your estate plan works.

- **In most states, stepchildren do not automatically inherit from a stepparent** under the default rules (*intestacy laws*) that decide what happens when someone dies without a valid will or trust. These state laws generally direct your accounts and property to biological or legally adopted children and a surviving spouse. Stepchildren are usually omitted by default.
- **Formal legal adoption of a stepchild is typically the only exception.** Without it, even decades of parenting a stepchild may carry no legal weight.

¹ Robert McAllister, *Divorce Rates in US 2025 – Current Trends and Analysis*, NCH Stats (Dec. 11, 2024), <https://nchstats.com/divorce-rates-in-us>.

² *National Stepfamily Day: September 16, 2023*, U.S. Census Bureau (Sept. 16, 2023), <https://www.census.gov/newsroom/stories/stepfamily-day.html>.

Blended families are also vulnerable to unintentional disinheritance. One common scenario occurs when a stepparent leaves assets outright to their surviving spouse, the stepchild's biological parent. If that spouse later remarries, changes their estate plan, or simply spends down the inheritance, there is no guarantee that your stepchildren, or even your own biological children, will receive what you intended them to have.

Estate Planning Steps for Including (or Excluding) Blended Family Members

Steprelations can present some of the most personally sensitive and legally complicated estate planning conversations. It is important to be clear about whether you want to include stepchildren in your plan, exclude them, or structure inheritances to balance the needs of a surviving spouse, biological children, and stepchildren.

Including Stepchildren

You may want to treat stepchildren as equals to biological children in your estate plan for the following reasons:

- You have developed deep bonds.
- Your stepchildren may have little or no other family support.
- You value fairness or want to avoid divisions and treat all children equally.

Strategies and Tools

If you want to be certain that your stepchildren are included in your legacy, you will need to use particular planning tools to make your wishes legally enforceable. When engaging in proactive planning, remember the following:

- **Specific naming and instructions.** Use full legal names and clear instructions in your will or trust. Terms such as *my children* will usually refer only to biological or adopted children.
- **Living trusts.** A trust can be drafted to specifically name your stepchildren as beneficiaries, ensuring that they receive the share you intend and bypassing default state laws that would otherwise exclude them. With a living trust, you can decide whether your stepchildren receive the same shares as your biological children or different ones and set identical or tailored distribution terms for each.
- **Qualified terminable interest property (QTIP) trusts.** Incorporating QTIP trust provisions in your living trust can be a creative way to balance priorities—providing for your surviving spouse's needs while ensuring that your children and stepchildren ultimately receive their intended share of your estate.
- **Beneficiary coordination.** Review and update beneficiaries on retirement accounts, life insurance, and payable-on-death (POD) or transfer-on-death (TOD) accounts to achieve the right balance of distributions or integrate a living trust that you have created.
- **Lifetime gifts with purpose.** Consider giving to stepchildren during your lifetime for milestones, educational goals, or other meaningful needs. This not only supports them in the

moment but also reinforces your intent, helping to reduce the likelihood of misunderstandings or disputes after you are gone.

Excluding Stepchildren (or Managing Inheritance Indirectly)

Not every stepfamily is close, and your estate plan does not need to pretend otherwise. You may choose to exclude stepchildren from your estate plan for the following reasons:

- There is emotional distance or past conflict.
- Your stepchildren will inherit from their own biological parent or family.
- You want to preserve your money and property solely for your biological children.

Strategies and Tools

If you exclude stepchildren from your legacy, it is important to make that intent clear and legally binding. Consider the following when structuring your estate plan:

- **Clear and affirmative language.** If exclusion is the goal, say so outright in your will or trust. Simply omitting someone from your plan can invite confusion and conflict.
- **Living trusts.** Use proactive planning tools such as a living trust to limit inheritance to your biological children and descendants while still caring for your spouse. If the goal is to not completely disinherit a stepchild, you could leave them a specific monetary gift or a smaller percentage of the overall estate.
- **Guard against the “second spouse” problem.** Avoid leaving everything outright to a surviving spouse if your true intent is to benefit your biological children, since your surviving spouse will have no legal obligation to pass along any remaining inheritance to them.
- **Keep up with change.** Regularly update documents and beneficiary designations after major life events such as remarriage, estrangement, or reconciliation to take into account new family dynamics and changing wishes.
- **Prenuptial and postnuptial agreements.** If your current marriage is a subsequent one, these agreements can specify how assets will be divided at your death, protecting children from prior relationships and preventing unintended disinheritances.

The Next Step: Talk to an Estate Planning Attorney

Blended families bring added complexity, and with it, more opportunities for miscommunication or disputes. Unequal treatment of biological children and stepchildren can create tension or resentment, especially when estate plans are vague, outdated, or unclear.

Keeping your plan current and talking openly with your family can help reduce conflict and ensure that your legacy is passed on the way you intend. However, these conversations can be highly emotional and nuanced. There may be thoughts you hesitate to say out loud, such as “They are not really my kids,” “My spouse will take care of them,” or “We want to treat everyone equally.”

We can help you create an estate plan that reflects your intentions—whatever they may be. Anything you tell your attorney will be kept confidential, and any estate plan documents you create can be kept private until they are needed.

Let's take the next step and talk about how to build a plan that honors the full picture of your family and legacy.