

Understanding Estate Planning

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What Do We Know

- Estate planning should be about taking care of the people we care about (starting with ourselves). Not just about distribution
- Critical estate planning questions
 - *Who gets our property*
 - *How do they get our property*
 - *Who makes decisions for us when we cannot*



The “State’s Estate Plan”



- Who gets what property?
- Title, contract- the person who gets property is not subject to law
- Everything else- the laws of intestacy
- Everyone gets “their share”- no specific rights to specific property

How Do They Get The Property

- If passes by title, contract, intestacy
 - *If adult, they receive the property outright*
 - *If minor, court needs to appoint a “guardian of the estate”*
- Outright ownership
 - *Control enjoy transfer*
 - *Have the “detriments of ownership”*
 - *Others can “step into” your shoes*



Who Makes Decisions



Financial

Guardian of the estate
Court appointed
No guidance



Health care

Guardian of the person
Court appointed
No guidance

Taking Control Of The Plan

- Does the state's plan work for you?
- If not,
 - *Who gets what*
 - *How do they get it*
 - *What is legacy to you*
 - *What are rules/what is guidance*
 - *Who makes what decisions*



Who Gets What



What do you want for the people you care about



How do you want to care for them



Scenario planning



Structure a plan to answer this question: here is how I want my assets to impact the people I care about

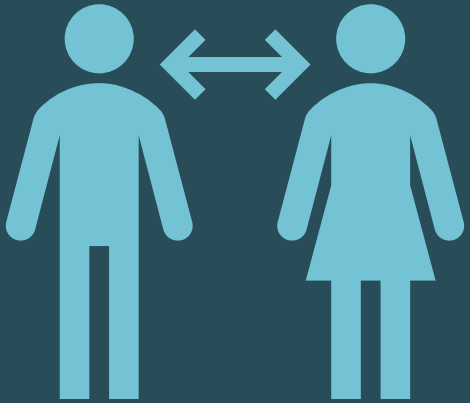




The Process

- Who gets what
 - *Percentages*
 - *Property*
 - *Possibility*
- Governance
 - *Alive and after*
- Legacy- guidance or rules

Governance



- Who makes what decisions
- Life
 - *Health care*
 - *Financial*
- Death
 - *Outright ownership*
 - *Control*

Legacy

- Story you want your assets to tell once you're gone
- Three broad possibilities
 - *Mimic ownership*
 - *Guidance*
 - *Rules*
- Not mutually exclusive



Trust



- Story you want your assets to tell
- Control, enjoy, transfer
- Detriments of Ownership
- Mimic vs Rules vs Guidance

Financial Decisions

- After death- trustee subject to guidance or rules
- During life- financial power of attorney
 - *Can have more than one*
 - *Springing?*



Health Care Decisions

- Living will
 - *Communication between you and doctor*
 - *Positives-*
 - Your choices- control
 - Take loved ones off the “emotional hook”
 - *Negatives*
 - Breadth
 - Changing medicine
- Health care POA- only one at a time, suggested to give guidance



Role Of The Will

- Minor children
- Dispositive document
 - *Probate process*
 - *Asset protection*
- Irrelevant document



Thank You

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