

Feigenbaum + Uddo, LLC

Simple Estate Planning Opportunities (or how not to let procrastination get the best of your family)

"The secret of getting ahead is getting started." ~Sally Berger

As an estate planner, I am often struck by how unprepared a family can be when crisis strikes. Being unprepared is not due to a lack of concern or interest as the people we care most about are the very people we need to protect when things go wrong.

So push procrastination aside, take a deep breath, and start protecting yourself and your family today. The following are some simple things to know as you think about getting your estate plan in order:

1. Minor Children Need Protecting Every parent with a minor child (under age 18) must have a will to name permanent guardians. Massachusetts now also allows for the naming of an **emergency guardian** to take charge of your minor children in the event of a crisis. Remember, the Probate Court is closed on weekends and holidays. So the language in your wills that names a guardian will not work if something happens you on the weekend. Minor children often times are protected by DSS until the Court can resolve permanent guardianship. This can be a total disaster for your children. An Emergency Guardianship Declaration keeps your children with the people you select and not with DSS.

2. Disability Planning Documents and HIPAA Every adult needs to have a health care proxy and durable power of attorney to control their health and financial decisions in the event of a disability. HIPAA has made having these documents an imperative. The documents need to be current and have the necessary HIPAA authorization language to work. Remember, 18-year-old children are adults, and as such, if you want to have input on their medical care, you need to have children sign a health care proxy.

3. Keep your papers accessible Emergency papers (emergency guardianship documents, health care proxy and durable

powers of attorney) should be kept at home **not** in a safe deposit box. At 4 in the morning when the ambulance is coming to the home, the papers locked in a bank safe deposit box will not be of much help.

4. Beneficiary Designations Every IRA, 401k, annuity and life insurance policy has a beneficiary designation. I suggest that every 2 years you request a statement in writing from the plan administrator or insurance company to verify who is named as beneficiary of these assets. There are a great number of positive planning opportunities by completing these forms correctly, and tremendous negative effects from preparing them incorrectly.

5. Trust Planning For Young Children and Others Whenever you are leaving an asset to a young person, an elderly person or a disabled person, utilizing a simple revocable living trust will provide tremendous protection for the beneficiary. These trusts are simple to create and can protect your family members long after you are gone.

6. Plan for Taxes Massachusetts and the IRS give you free credits against any eventual estate tax. It is easy to take advantage of these free credits, but to do so, you need to have the right papers (wills and trusts) in place. Those that know about it, win, those that don't pay an estate tax.

7. Second (or more) Marriage Planning Modern families come in all shapes and forms. It is important to make sure each partner has a set of papers that outlines what to do if he or she passes away first. Leaving everything to the survivor can be troublesome if you each have children from a prior relationship. Using simple trust planning can guarantee that your respective families' will receive your assets down the road.

8. Talk About Long Term Care Planning Long-term care issues for ourselves and our parents are difficult and charged with emotions. There are no simple solutions, but many planning opportunities and strategies. Don't ignore the issues because they are challenging.

9. Take Sensible Asset Protection Steps There are simple, yet effective ways of structuring family assets and making necessary elections (like the Homestead Declaration) to protect your family assets.

10. Find an Estate Planning Attorney The modern estate-planning attorney is the family lawyer of yesteryear. Our role is to have a continuing relationship with your family to be certain that all opportunities are considered and all possible steps taken to protect your family. Find someone you feel comfortable with, who charges a flat fee for the project, and who does not charge for every phone call by the 6 minute interval. It is rare that an estate plan will cost more than half of what you spent on your most recent vacation, but can be the difference between success and failure for your family.