

The Truth About Estate Planning

Most people start their estate planning with some limited knowledge of the subject. They approach their lawyer with a statement like this:

"I need a living trust"

"I only need a simple will" or

"I need a general durable power of attorney"

Whatever the "it" is, then the question that follows is "how much will it cost?" Often, the lawyer or the secretary quotes the person a word-processing fee, for that is all the lawyer is going to do in order to fill the order. The client gets a standard, one-size-fits-all document.

The documents are not what estate planning is about. Documents are no more than tools in a toolbox, available to be pulled out and used as needed to achieve a result you want. Don't look at the hammer or the screwdriver.

Stay focused on what you want to build. **What are you looking to achieve for your family? How can you make a difference in the lives of your loved ones?**

1. Estate planning is a process, not an event

Every estate plan goes through three steps. (1) My plan is designed and written. (2) Time passes until my plan is needed, during which changes in me, my assets and the law cause a plan to fall out of date. (3) Administration of my plan at my death or disability.

2. The three-step strategy allows me to stay in control throughout the estate planning process

(1) Working with a counseling-oriented attorney assures that I will get the plan that I want. (2) A formal updating program will assure that I keep it current and that my family and I stay in touch with it. (3) Getting settlement fee disclosure now keeps my family from losing control at my death.

3. There is no magic book that will free me from ever working with an attorney again

Whether I have a will or a trust, there will still be work for an attorney to do to administer that plan. I need a comfortable relationship with an attorney who will follow the three-step strategy, so that my plan will be kept current. "Call if you need to update" will fail in the long run as a way to keep my plan up to date. Just leaving

my family to call the attorney after my death would put the attorney in control of my plans and the cost at that point.

4. I need to take a more proactive role than I realized

If I just have a lawyer "draw up" a will or a trust, then upon my death or disability the attorneys usually have to go into "clean-up" mode. If I am proactive, with me and my family more involved in the process, we can lower the time and attorney fees overall.

5. Estate Planning requires teamwork!

I can trust and follow the advice that I get from my different professionals if I get them to confer and agree on the advice they are giving me.

6. My estate plan won't work without proper asset titling

Proper asset titling is crucial to the success of the estate plan, whether my plan is designed as a will or as a trust. The will or the trust is my instruction to my family....I need to review all asset titles and make sure the assets will go according to my instructions.

7. Estate Planning is about my personal goals more than avoiding probate and taxes

For example: How I want to live my life; how I want my spouse and children cared for; how my children should be raised even if I die early; what priorities I have for my heirs' education; protecting my spouse (and my assets for my children) from a new spouse after my death; keeping control of my assets and my care within the family in the event of my disability; protecting my estate from nursing home costs; protecting assets from divorces or creditors of the children even after they inherit; promoting my family and spiritual values.

Ask yourself:

"What real-life problems could occur that I would most hate to see happen to my loved ones?"

"What opportunities could I provide my loved ones? How might I be able to genuinely improve their lives?"

"What are the strengths of this family that I would like to see built upon?"

The truth is that "document- based" planning does not provide the opportunity to address these questions. Don't look at the tools in the toolbox...stay focused on what you want to build and seek the attorney and the process that can help you make the difference in the lives of your loved ones.