

Planning Partners PressTM

A Fax Update From The National Network

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New Year's Resolution: Estate Planning

(Part 1 of 2)

Many of our clients will use the opportunity of a new year to take a look at their finances, and perhaps some of them have resolved to take care of their planning during 2008. If someone brings up the topic with you, or if you'd like to raise the topic with your clients, we'd like to suggest some ideas for getting all the information that is needed to plan comprehensively.

Ask for all of your clients' estate planning documents.

First, during any fact-finding intake that you do this year, you should request a copy of the new client's estate planning documents. Only about half of the advisors that we talk to receive copies of the will, trust, powers of attorney, health care directives, or other collections of paper that pass for "estate plans." Following through on this obvious client need presents the financial advisor with a wonderful opportunity to assist clients in defining their estate planning goals and objectives, and helping them find the knowledge and resources to achieve those ends. With existing clients, you may want to introduce the subject before your next periodic review. You will find that many do not have any plan, or they have a "vacation will" in their safe deposit box from twenty years ago. Perhaps they just recently paid a big fee for an elaborate plan. Ask anyway, because your client service depends in part upon knowing your clients. Then, compile a total inventory of your clients' assets, not just what you have under administration. (This alone will probably reveal many new opportunities.)

Plan review starts with the assets, not the paper.

How have the clients titled the assets? If you make this check-up a habit, you will find that most of the asset ownership does not coordinate with the plan. Assets held in joint tenancy are not controlled by a will, for example, and many trust-centered plans are not properly funded – and are therefore ineffective. If the clients have trusts, does the trust own all of the property other than the qualified plan assets? If not, the estate will go to probate for part or all of the

property. Most married couples started with their college diplomas and the wedding presents, and from that point on, jointly own everything that they accumulate over the years.

Joint ownership renders the trusts *and the wills* useless as planning documents. Do they know that? Who took responsibility for transferring title of their assets so that the plan would work? Many attorneys give their clients an elaborate "letter of instruction" about how to finish the job, and then close the file. Of course, clients rarely get the funding accomplished properly, if at all. Neglect of proper funding defeats the majority of estate plans, and you can perform a great service to your clients by alerting them to the need.

In Part 2 we'll discuss disability issues, providing liquidity so the plan will work, and making sure that you and the clients thoroughly understand the work that the attorney has done for proper coordination.

PERSONALIZE ME!

This area of the Planning Partners Press newsletter is used to provide information about your firm, upcoming workshops, and biographical information.

Examples include:

Upcoming Workshops

Truth About Estate Planning Workshop

- May 7, 2025 at 2:00 p.m.
- May 12, 2025 at 7:00 p.m.

Biographical Information

Attorney Robert Smith limits his practice to the area of Estate Planning and Administration. Our offices are located ...

Or even graphics!

