

Life, Estate & Inheritance Planning –

If you don't have a plan

for your estate,

The State Does

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The WealthCounsel, LLC, is a cooperative alliance of nationally recognized estate
planning attorney members from across the country.*

What Is “Estate Planning”?

A Process that Allows You to:

**Control Your Property
While You’re Alive and Well;**

**Plan for You and Your Loved Ones
If You Become Mentally Disabled**

What Is “Estate Planning”?

Give What You Have

- **To Whom You Want**
- **When You Want**
- **The Way That You Want**

All at the Lowest Possible ^{Overall} Cost
to You and Those You Love

What Is Estate Planning?

(cont'd)

Incorporates a balance of financial, social, emotional and spiritual values and aspirations.

Establishes a meaningful legacy during your lifetime and beyond.

What Is an "Estate?"

Your Home



Investments

IRA's

Stocks

&

Bonds



Jewelry



Cash



Insurance
Policies



Automobiles



Antiques



Income Properties



What Is an "Estate?"



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Corbis.com

Corbis.com

Why Should You Plan Your Estate?

Every Family Has Planning Goals

- ◆ Most common motivations for doing estate planning
- ◆ The single greatest benefit.
- ◆ Caution about on line and cheap planning

Setting the Priorities of Your Estate Plan

1. What is your plan for
For your Estate?
2. People are more important
than dollars
3. Minimize the shrinkage and
delay of transferring
property

People Are More Important Than Dollars

1. Guardians for Minor Children
2. Personal Representative
3. Mental disability determination
4. Disability “Helpers”
5. Trustees

Problems With Probate



- Expensive
Averages 5 to 7 % of the value of the Gross Estate
- Time Consuming
 - Record-Keeping
 - Court Reports
 - Average 16 months
- Proceedings are all Public
- No Control

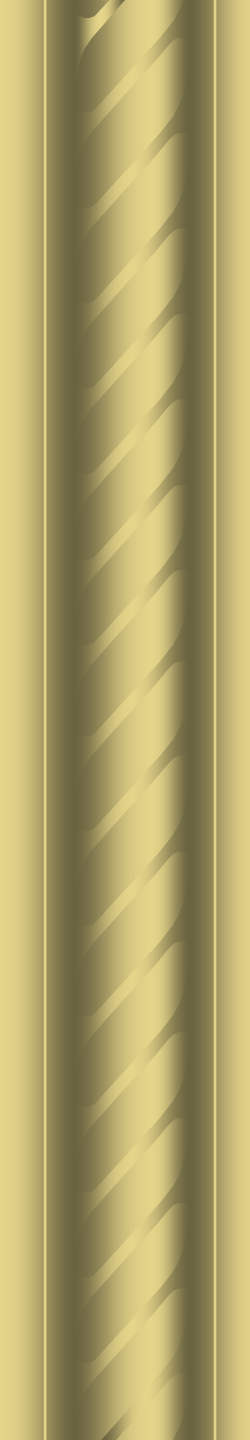
Death Probate

Definition: The legal process of paying a deceased person's debts and retitling all of that person's individually owned assets to the names of the heirs listed in a will.



Minimize the Shrinkage and Delay of Transferring Property

1. Transfer Taxes
2. Probate / Trust Settlement Costs
3. Privacy issues
4. Control of the Process
5. Asset Protection



Mental Disability –
“Living Probate”

***Guardianship* – Control over the Person**

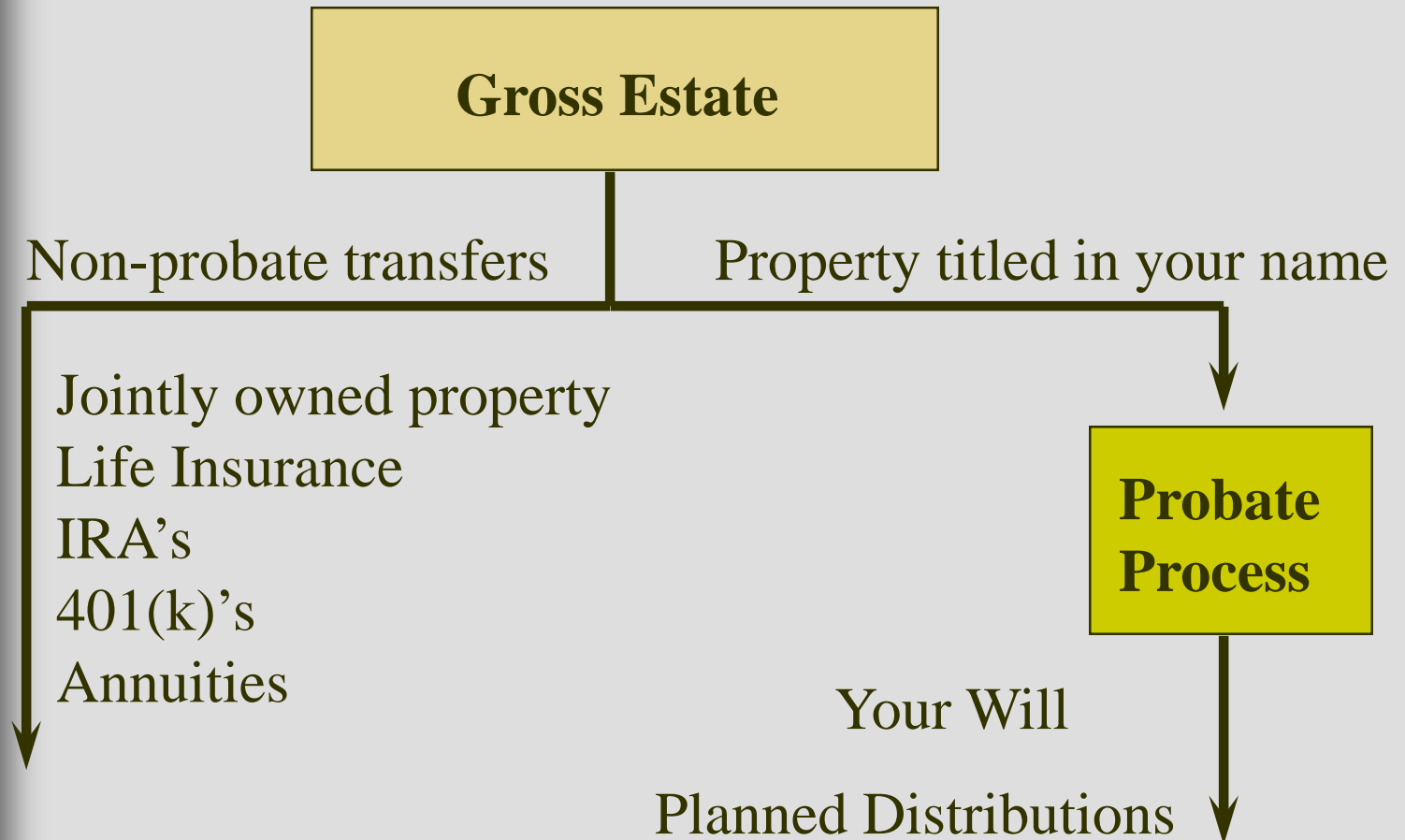
***Conservatorship* – Control over the
Person’s Money**

Living Probate =
Total Loss of Control

Someone Else Determines:

- When you are disabled
- Who controls your affairs
- What the Agent can do

Traditional Estate Planning



Wills Can Fall Short of Estate Planning Goals

- **Won't provide for your disability**
- **Won't necessarily give what you have:**
 - to whom you want
 - the way you want
 - when you want
- **Certainly won't avoid probate**



Federal Estate Tax

“Everything” Tax (on All Assets)

- ◆ Graduated Tax Rates from 37% to 55%
- ◆ Due 9 months from date of death
- ◆ 3 Major Exceptions

2001 Taxpayer Relief Act

Applicable Exclusion Amount

<u>Year</u>	<u>Amount</u>
2008	\$2,000,000
2009	\$3,500,000
2010	Repealed
2011 and 2012	\$5,000,000
2017	\$5,500,000

Family

- ◆ Minor Children
- ◆ Special needs
- ◆ Education
- ◆ Disinherited children
- ◆ Leaving a Legacy

Common Estate Planning Tools *During Your Lifetime*

- ◆ Power of Attorney
- ◆ Gifting Programs
- ◆ Guardianship
- ◆ Conservatorship
- ◆ Revocable Living Trust

Common Estate Planning Tools *After Your Death*

- ◆ Intestacy
- ◆ Joint Tenancy
- ◆ Will
- ◆ Beneficiary Designations
- ◆ Revocable Living Trust

Asset Protection

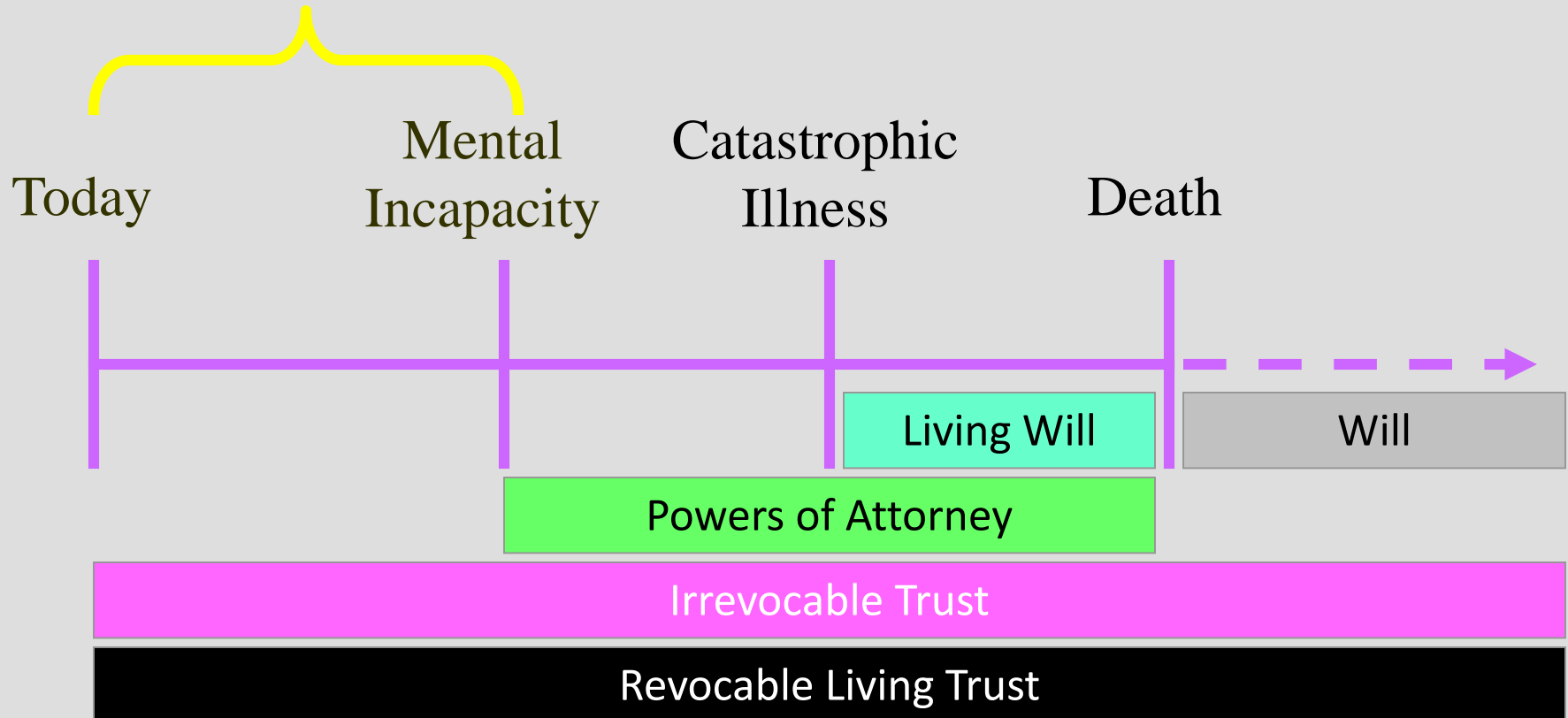
1. Divorce
2. Predator / Remarriage
3. Creditors / Lawsuits
4. Catastrophic Illness
5. Leaving the Legacy

Advanced Planning Tools

- Life Insurance Trust
- Minor's Trust
- Family Limited Partnership
- Charitable Trust
- Other Irrevocable Trusts
- Gifting Programs

When Should You Plan Your Estate?

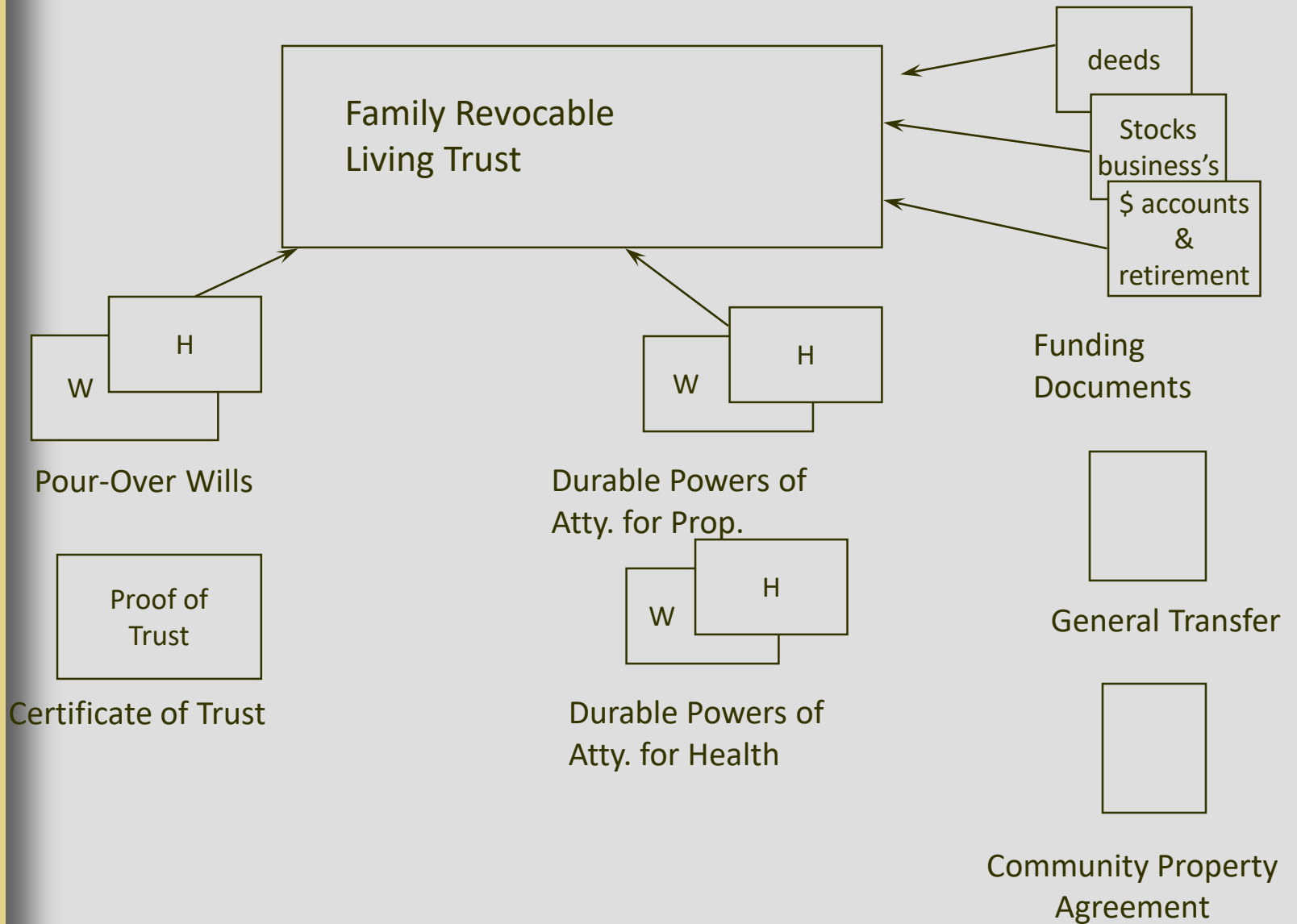
Your Planning Opportunity



The Perfect Estate Plan


- ◆ Documents that are properly counseled, designed and drafted to express your plan for your estate
- ◆ Assets that are properly titled
- ◆ Regularly updated
- ◆ Educated family
- ◆ Controlled settlement costs

Associated Documents



The End Result - Peace of Mind





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for your estate,
The State Does!

Call...

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Or email me at artpauly@paulylaw.com

If you are outside of California, go to www.estateplanning.com

Or www.wealthcounsel.com for a qualified Estate Planning Attorney in
your area.