



IS IT TIME TO PLAN YOUR ESTATE?

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In the prime of your life, it is never fun to stop and ask yourself what will happen if something happens to you. But I'm asking you to do just that. The world is unpredictable, and when you take control and plan for the future, you put your family and busi-

ness in a better position.

This shouldn't be a morbid topic but one of taking charge. So, I want to give you some tips to help you decide if it is time to start your estate planning journey. Before we get started, you need to know that Estate

Planning is an all-encompassing term that includes a Last Will and Testament, trusts, beneficiary designations on financial accounts, disability documents for dealing with what happens if you are alive but incapacitated or unavailable, and the formation

and governing documents of any business entities that you may own and their succession plans. These documents should work together seamlessly to ensure that your wishes are carried out.

1. DO YOU HAVE CHILDREN?

Major life events help shape the need for an estate plan, especially the birth of a child. If you are a parent, I'm sure you have realized just how much your child relies on you. If something were to happen to you or the other parent, numerous questions arise, such as where would your child go and who would take care of him or her? These questions are incredibly important and should be the driving force toward the appointment of a future guardian or custodian for your children. However, they are not the only consideration. Your children need financial assistance and someone to safeguard and take care of their assets. If your child suddenly inherited money or a house, someone would need to manage those assets and protect that value. Creating a will or even signing a separate designation of guardian or custodian document allows you to take control over who cares for your children and who manages their assets. With a little planning, you can have the peace of mind that your children will be well taken care of no matter what happens.

2. DO YOU HAVE A BLENDED FAMILY?

Creating a will is especially important for people with a blended family. If you or your spouse have kids from a previous marriage, it's time to talk to an estate planning lawyer. The law of each state varies, but under Texas law, dying without a will means that your assets may pass one-half to the surviving spouse and one-half to the kids. Unless you or your spouse want to own land, the house or a business jointly with stepchildren, it's time to be proactive.

3. DO YOU HAVE A FAMILY MEMBER WITH DISABILITIES?

Planning becomes much more important when you help care for a person with a disability. There are specific planning techniques to ensure that disabled people who are receiving government benefits will not become disqualified for their benefits even if they were to inherit money or property. If no plan is in place, the person typically loses his or her benefits until the inheritance is completely spent. Taking the time to plan for this situation should be a no-brainer.

4. DO YOU OWN REAL PROPERTY?

For those of you who own commercial property or even just your own home, you know that property does not take care of itself. You also know how many hoops you likely had to jump through before you finally received your deed. If something happens to you, steps must be taken to clear the title to the property and transfer your ownership to your beneficiaries or heirs. If you die without a will, those family members inheriting your property may be forced to go to court to prove that they are entitled to the property. Not only is this process more time-consuming, but it is also a lot more expensive when you do not have a will or other plan in place.

5. DO YOU OWN A BUSINESS?

If you own a business, do you have a succession plan in place? Business owners often have more things to consider in an estate plan. Not only do they have assets of their own, but the future of the business may very well depend on whether a plan is in place. Considerations such as who can step in and make decisions for the business if something happens to you are vitally important to ensure the business can continue to operate or be sold if you can no longer operate it.

6. WHAT WOULD HAPPEN IF YOU BECAME INCAPACITATED?

If you are unable to manage your assets, is there someone who would be able to do it for you? If you die, there are procedures in place for someone to qualify and be appointed to manage your estate. But what if you don't die? There are techniques to help avoid the need to appoint a guardian or custodian in the future, which can be costly. It is also important to ensure that someone can timely access your accounts and take care of your things. Many creditors and other service providers will not communicate with a person unless they are the account holder, an authorized person on the account, or a validly designated agent of the account holder. Having disability documents and people in place to anticipate this situation can save your family costly legal fees and precious time in trying to gain access to manage your things in the event of an emergency.

7. WILL YOUR ESTATE BE SUBJECT TO A "DEATH" TAX?

There are different techniques to avoid or minimize taxes that your estate may owe due to death or inheritance under state and federal law. If you live in a state

that imposes an estate or inheritance tax, your estate may be subject to estate taxes at both the federal and state levels. Utilizing techniques to minimize or avoid an estate tax allows you to take control of your property, protect your assets, and maximize the benefits that can be passed down to your beneficiaries. With anticipated changes to the federal estate and lifetime gift tax exemption at the end of 2025, it's a good idea to check in with your financial advisor or estate planning attorney before then to determine how you may be impacted.

8. IS PRIVACY IMPORTANT?

Many people do not realize that your assets could be listed in the public record upon your death. If the thought of the general public being able to see a list of your worldly possessions freaks you out, then you should plan ahead. There are techniques and procedures that can be used to keep a person's possessions out of the public eye after death. This doesn't happen by accident; you will need to plan for it.

9. WOULD YOU LIKE MONEY TO GO TO CHARITY?

For those of you who love to give back to the community and support charitable causes, you may want to consider leaving a donation to your favorite organization upon your death. If you believe in giving back to the community, why would that change if something were to happen to you? There are many different options for continuing to donate to charities, but these are only options if you have an estate plan in place. Maybe you want your appreciated stocks to go to the Red Cross or maybe you want to leave a specified amount of money to the Salvation Army. Either way, this only happens if you take the time to put a plan in place so that a portion of your assets can have a lasting impact after your death.

It is never too early to consider your estate plan and put documents in place to prepare for the worst. When in doubt, make a plan. It will give you peace of mind to know that your wishes will be carried out and help those who depend on you.



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