

Common Estate Planning Errors

Thorough, well designed estate planning is vital to your future. Without the proper preparation, the following estate planning errors can easily occur.

Lack of or Inadequate Disability Planning. Many people fail to plan adequately for management of their financial and medical affairs, should they become incapacitated. A customized durable power of attorney and an advance directive should be part of everyone's estate plan. In some cases, a revocable living trust should be used in addition.

Failure to Plan for the Payment of Long-term Care. Whether it is staying at an assisted living facility or residing in a nursing home, the costs of long-term health care is extremely expensive. Out of pocket expense may be prohibitive. Every adult should consider long-term care insurance.

Outdated Wills and Designations of Beneficiary. Many people fail to regularly review and revise their estate plans. Do not be caught with outdated planning. Remember to review your Will and designations of beneficiary at least every five years or whenever there has been a significant life change.

Poor Choice of Agent, Trustee or Personal Representative. Choosing an agent under a power of attorney, a trustee of a revocable trust, or a personal representative of an estate is a very important decision. Be careful not to make choices for the wrong reasons.

For example, choosing your eldest child or the child who lives closest to you may seem like the right decision, but consider whether this child has the ability, the time, and the respect of other family members to serve adequately. It may be wise to appoint co-agents, co-trustees or co-representatives. In cases where family members are scattered geographically or are dysfunctional, consider appointing a professional.

Lack of Adequate Records. Deeds to real property, copies of income tax returns, life insurance policies and bank statements should be maintained and organized. Failure to keep complete records will make it difficult to assist someone who becomes disabled or to settle an estate.

Overuse of Revocable Trusts. Many seek to avoid probate by executing revocable trusts and re-titling all assets into those trusts. In some cases, however, the cost of establishing and funding these trusts may exceed the cost of probate. For many, a Will is the better choice.

Planning is critical. There is no single answer or universal form that is appropriate for everyone. An experienced Elder Law attorney who addresses your individual needs can help you to plan properly, avoid common estate planning errors and leave you with peace of mind.

In-Service Training Available

Elder Law Solutions offers in-service training on the following topics:

- Nursing Home Planning
- Medicaid/Medicare
- Estate Planning
- Will & Trusts/Probate
- Powers of Attorney
- Conservatorship
- Guardianship

Please Contact Either of Our Offices to Schedule a Presentation

Christopher B. Kroll & Associates, P.C.

Attorneys and Counselors at Law

Dearborn
313.359.2481

Shelby Township
586.323.4001

Elder Law Solutions
www.elderlawsolution.com