

Should I Update My Estate Plan Now? How About Now?

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Is now a good time to update my estate plan? The answer is more than likely, yes.

Knowing when to update your estate plan is probably not something that is at the top of your list. It's been a few years since you completed your estate plan and that binder is sitting quietly in your closet, gathering dust. And there's probably some pride on that dust because you have a certain sense of satisfaction and perhaps a bit of cockiness that you actually did your estate plan, unlike some of your family and friends. Well don't high five yourself too quickly as there are some things that have probably changed, not only in your life, but in the lives of those included in your estate plan, as well as some changes to the laws.

So, when should you update your estate plan, including your trust and will? I recommend reviewing your estate plan at least once every other year or when any of the following things have changed:

People Change, Relationships Change

Your estate plan includes some pretty heavy responsibilities that need to be carried out based on your wishes. There was the appointment of a trustee, executor, power of attorney, and/or guardian. Perhaps your relationship with someone you previously appointed has changed or you feel they are no longer the right person for the job. As such, it is a good idea to keep your documents updated and make sure you have at least three individuals appointed for each role in case someone is unable or unwilling, and if applicable, they can be the same person for each role.



Birth, Grandkids, Marriage, Divorce, Estranged

Change is inevitable, except from a vending machine. It's funny, and it's true - changes in life are inevitable and when you first named your beneficiaries, things may have been different in your life.

It is smart to update your will after the birth or adoption of each child to avoid a lengthy and costly probate process. Or perhaps you have grandchildren but are estranged from one, causing a need to update your beneficiaries.

People go into a marriage with no end in sight but unfortunately, divorce happens, new spouses emerge, step parents come on the scene, families blend together, and relationship dynamics change. Some relationship changes can bring joy and inspiration while others can bring angst and strife. Either way, you have the power to change not only who will receive benefits from your estate plan, but how they will receive them, which is equally as important.

HOW is Just as Important as WHO

It is always important to consider how a beneficiary should receive their gift based not only on who they are, but how they lead their life. Are they good with money or are they wasteful? Do they have an unreasonable spouse who will take advantage of them and their new assets? Do they have a substance abuse problem? Gambling problem? The list is endless. We work with our clients to create a plan that is both thoughtful and strategic, ensuring the trustor's goals and legacy remains intact.



Market Fluctuations

Changes to the market, whether increasing or decreasing in value, can present a great opportunity to review your estate plan and potentially save on taxes. During market volatility, there are several strategies our estate tax planning attorneys can take advantage of to mitigate gift and estate taxes.

Make A List

Including an updated list of all of your assets makes it easier for the trustee and beneficiaries to identify after your passing. A detailed list of assets also helps to avoid a full-blown probate because we can petition the court for a simpler and expedited process. Providing details now prevents costly heartache later. Some assets require it to be titled in your trust (e.g. real property), and we can help you title it in your trust. Other assets include bank accounts, stocks, privately held business, vacation homes, etc.. And if you want your daughter to have that special art piece and your son to have that cherry sports car you worked on together, it's time to put it on the list.

Other Reasons to Update Your Estate Plan

Entity Formation

Whether you want to create a non-profit organization, concerned about protecting your assets from creditors and/or want to start a business, we can help you set up your entity and include in your estate plan with a strategic plan for succession and rights.

Business Planning

Whether you have business partners or your own business, having a business plan in place and making sure to review the plan is very important. For instance, a buy-sell agreement is a useful tool to outline a business partner's rights in the event a business partner dies, and this agreement should be reviewed to ensure things like value, voting and management are addressed.

Business Maintenance

States require businesses to maintain good and updated records. Your estate/trust will have fewer problems with taxes if you keep these records continuously updated.

Gifting

You have assets that you want to give away now – so how do you do it? Tax efficient methods could be implemented, but it is very important to determine your goals first because your own needs may outweigh the tax concerns. We can meet with you to determine the best approach.

**We look forward to serving you &
wish you the best**



We continue to work for new and existing clients during COVID-19 (coronavirus) while placing safety and health as a priority. We are happy to accommodate your needs, including Facetime, SKYPE and ZOOM for virtual, face-to-face connections. Contact us directly to speak with someone who can help answer your questions.

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