

Estate Planning Overview

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The Goals in creating an estate plan. Each situation is different but the following are common estate planning goals.

Planning for Retirement
Planning for Disability
Post Death Provisions

Care for Surviving Spouse
Care for Minor Children
Provide for Distributions to Adult Children
Minimize Conflict
Save Taxes
Avoid Probate

Estate Planning Documents

Durable Power of Attorney-Authority to make legal and financial decisions
Patient Advocate Designation – Authority to make medical decisions
-Living Will Provisions-Termination of life support
-Recent Events-Nutrition and Hydration
-Anatomical Gifts

Will

Trust

-Revocable Living Trusts
-Other Trusts

Intestacy Laws-(No Will)-Provisions for surviving spouse

Spouse (no children, no parents) – 100%

Spouse (at least one common child) - \$168,000 plus $\frac{1}{2}$

Spouse (decedent has child or children) - \$112,000 plus $\frac{1}{2}$

Spouse (no children, living parents) - \$168,000 plus $\frac{3}{4}$

Spousal Elections

Take under Will
Elect against Will-(1/2 intestate share less other receipts)
Dower rights

Prenuptial Agreement – Second Marriage Planning

Deathtime Protection – Spousal Elections waived

Divorce Protection

Income Tax Returns-

-Joint or Separate returns

Capital Gains on Sale of Primary Residence

Property Tax Homestead Exemption

Healthcare Benefits

Medicaid Planning

Document Formalities

Tax Planning

Estate Tax Exemption

\$ 1,000,000

2004	\$ 1,500,000
2006	\$ 2,000,000
2009	\$ 3,500,000
2010	No Estate Tax but Capital Gains changes
2011	\$ 1,000,000

Estate Tax Rates

45% Flat Tax

Michigan Taxes

No Current Death Tax

Joint Property

Tax Problems

Practical Problems

Trusts for Tax and Family Planning

Trust Provisions

Family Trust

Marital Trust

Joint Trust

Irrevocable Life Insurance Trust
Trustees

Funding
Investments
Residence
IRAs

Insurance
Life Insurance
Long-Term Care Insurance

Other Issues
Medicaid Planning
Special Needs Trusts for Children
Guardianship Provisions for Children
Charitable Planning