

e-Newsletter

Big City Solutions. Small Town Values.

May 2012 – Issue 1

Congratulations, You Signed Your Estate Plan! Now What?

One of the most common questions an estate planning attorney encounters immediately after clients sign their estate planning documents is “What do we do now?” The purpose of this newsletter is to address some of the practical considerations that arise after you “put pen to paper.”

Where should the originals be kept and who should have copies?

The original of your Will and Trust should be kept in a safe place in your home or in a safe deposit box. If you have a safe deposit box you should have a second person named on the box and he or she should know where the key is kept. Powers of Attorney and Healthcare Directives should be kept where they can be obtained in an emergency situation—as a bank may not be open if you have an emergency during non-business hours. Copies of Healthcare Directives should be given to your primary-care physician. Family dynamics dictate whether copies of your estate planning documents should be given to your children.

Do I have to go to the bank?

If you have signed a trust, you will need to go to the financial institutions where you hold assets to re-title your assets in your trust. Although some financial institutions will accept a trust certificate to re-title an account, many institutions today require a copy of the entire trust. Aside from actually signing your trust, making sure your assets are properly titled in your trust is the most critical step in completing your estate plan. If you use a Will as the centerpiece of your estate plan, it is typically not necessary to go to the bank.

What about my real property? Do I keep my homestead exemption?

While every circumstance is unique, your lawyer will advise you with respect to transferring your real property to your trust. Transferring the property occurs through the proper execution and recording of one or more deeds. If your estate plan is centered on a single trust, completing the estate plan typically includes transferring your Florida home into the single trust. On the other hand, if you have a two-trust estate plan, your Florida home is typically not transferred to either of the trusts. Regardless of whether transferring ownership of your home is part of the estate planning process, your homestead exemption for purposes of real-property taxation will not be lost. Nor will you lose the benefit of the Save Our Homes Cap, which may keep the assessed value of your home artificially deflated for purposes of real-property taxation. If your estate plan incorporates a trust and you own out-of-state real property, you will need to contact an attorney licensed to practice in that state to transfer the property into the trust.



Forrest J. Bass

TEL 941.639.1158

EMAIL fbass@farr.com

Forrest practices in the areas of estate planning, probate and trust administration.

e-Newsletter

Big City Solutions. Small Town Values.

What about the beneficiary designations and jointly titled assets?

Once you have signed your estate plan, it is important to review the assets for which you have designated beneficiaries or that are jointly owned to ensure that they square with your estate plan. One common misconception is that your will or trust prevails over a beneficiary designation or a form of joint ownership, when in fact, the opposite is true—beneficiary designations and joint-ownership control the disposition of those assets. Consequently, beneficiary designations and joint-ownership arrangements related to your retirement accounts, life insurance policies, bank accounts, and investment accounts should be discussed with your attorney to ensure that these designations and forms of ownership do not vitiate the estate plan that you have just signed.

What else should I do?

As a complement to your estate planning documents, consider organizing your important information so that it is accessible in a time of need. This information may include information about life insurance policies, pensions or retirement accounts, safe deposit boxes, and debts. You should keep current information identifying your professional advisors, family members, funeral/burial instructions, and tissue/organ donation instructions.

How often do I need to update my documents?

You need to update your estate planning documents if you have a life changing event—e.g. death of a spouse, change in fiduciary, death of a beneficiary, or a significant change in your financial circumstances. The question often is asked, "Can I just cross out a line, re-write what I want, and initial it?" NO! These types of modifications are not effective and will not result in the changes you are attempting to make. Even if you have not experienced a major change in circumstances, it is prudent to sit down with your lawyer every few years to ensure that your documents coincide with your current situation and are in accordance with current law.

Signing your estate planning documents is a great achievement. Taking a few extra steps after you walk out of the signing room will ensure that you have the peace and security you first sought when you set out to complete your estate plan.



This newsletter is for general information and education purposes only.
It is not offered as legal advice or legal opinion.

To the extent this message contains tax advice, the U.S. Treasury Department requires us to inform you that any advice in this letter is not intended or written by our firm to be used, and cannot be used by any taxpayer, for the purpose of avoiding any penalties that may be imposed under the Internal Revenue Code. Advice from our firm relating to Federal tax matters may not be used in promoting, marketing or recommending any entity, investment plan or arrangement to any taxpayer.

To subscribe to our monthly newsletters, please visit our website at www.farr.com

Asset Protection Business & Corporate Elder Law Guardianship
Litigation Marital & Family Mediation Personal Injury & Wrongful Death
Physician Services Real Estate & Title Insurance Trusts & Estates