

Why Your Old Estate Plan Could Mean Trouble, And What To Do Now

We've said goodbye to the old year and entered the new. This is a good time to do the same with your old estate plan! All the good intentions you built into your older plan may no longer be beneficial. In fact, they may create headaches for you and your family going forward. Consult an experienced estate planning attorney to have your plan reviewed and if necessary, revised. Here's a sampling of common mistakes we find in older plans:

1. The people you named to serve as your personal representative, trustee, health care surrogate, and agent under your durable power of attorney are deceased, incapacitated, or now unwilling to serve, or there are now more suitable people to name.

2. You are going to remarry or have remarried but your estate plan fails to address that reality. Second marriages are estate

planning minefields, particularly if you have kids from a prior marriage. You may also need to think about a pre-nuptial or post-nuptial.

3. You have acquired new assets and failed to rename them in the name of your trust. Or you have retitled assets into the trust that do not belong in there.

4. Your beneficiary designations for non-probable assets—life insurance, for example—are outdated. Your feelings may have changed about the beneficiary. Or, if the beneficiary is deceased and

the designation is not "per stirpes" and there is no contingent beneficiary, the asset will flow into your



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estate, guaranteeing the probate you may have wanted to spare your family.

5. Your plan includes unnecessary provisions to reduce or eliminate estate taxes, but your estate is no longer taxable because the exemption is now \$11.4 million per individual. Those tax-avoidance plans that were once beneficial may now mean additional headaches for your heirs.

6. Your spouse's benefits will stop if an inheritance puts him/her over the \$2,000 asset cap.

7. You have children who have divorced or remarried. To keep assets in the family, your plan

might need some re-engineering. 8. You have failed to create a list of your digital assets and how your fiduciary can access them. Today, most of us have digital assets such as online bank accounts and brokerage accounts, shopping accounts (e.g. Amazon), photos stored in the cloud, social media accounts, etc.

Happy new year to all my readers!

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Read *The Florida Elder Law and Estate Planning Blog* at www.karplaw.blogspot.com.

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