



The Top Estate Planning Mistakes

Your
LOGO HERE
CUSTOM LOGO FOR YOU

Disclaimer

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About Me/Our Firm

- Practiced law in the state of [Michigan] for [10] years after graduating from [University of Michigan Law School]
- Affiliated with [Group Name(s)]
- My firm has [20] employees and has served [600]+ clients over the past [10] years
- [Insert photo of staff, building, etc.]
- [Insert PR placements]



Every Family Will Face the Same Things

Incapacitation

Healthcare Issues

Divorce

New Family Members

Taxes

Death

Go into crisis mode

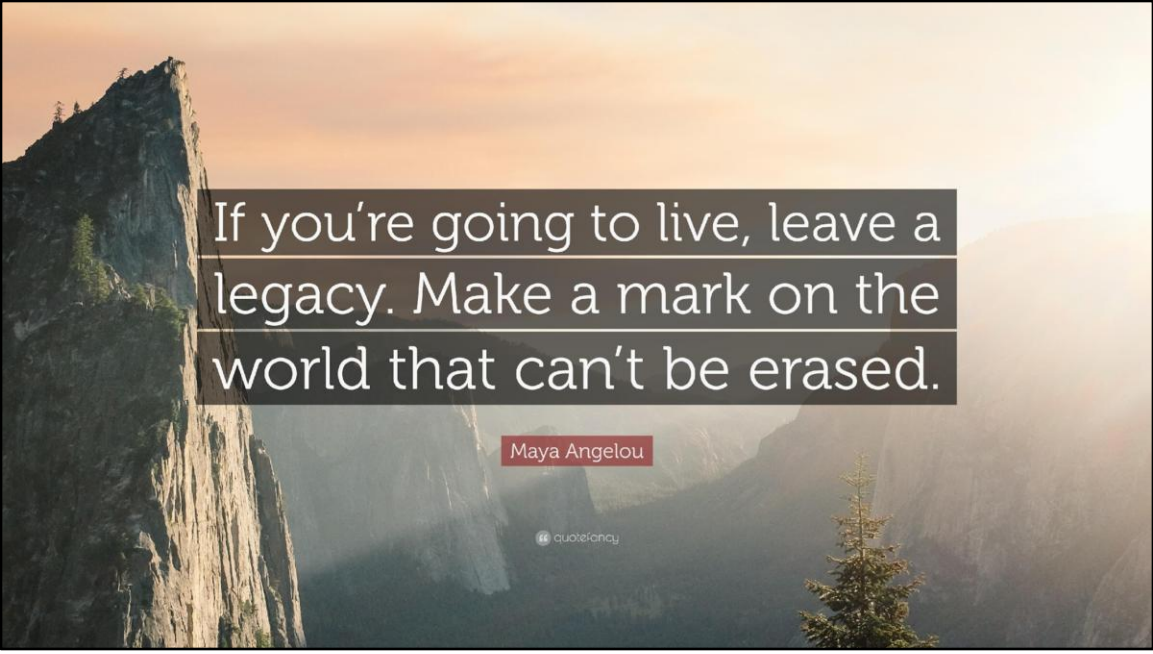
Have a coordinated plan



Everyone Here Either...

- Does not have an Estate Plan
- Has faced major life changes (births, deaths, divorce, etc.)
- Has an Estate Plan from X time ago
- “Do-It-Yourselfer” (ex: LegalZoom.com)





If you're going to live, leave a
legacy. Make a mark on the
world that can't be erased.

Maya Angelou

 quoteFancy

101: What is Estate Planning

Estate Planning is the process of an attorney helping you prepare your future and by:

- Facilitating who will control your estate upon incapacity or death
- Making sure your assets are distributed the way you want
- Avoiding taxes and probate
- Eliminating issues and conflicts between heirs
- Protecting assets against creditors, predators, divorce, taxes, financial risk, etc.
- Establishing guardianship(s) for minor children and/or special-needs adults
- Ensuring *what* you want to happen actually happens, by *who* you want to make it happen, at the exact time *when* you want it what to happen



What Does an Estate Consist Of?

- All of one's assets:
 - Real Estate
 - Vehicles
 - Cash
 - Investments
 - Insurance Policies
 - Personal Items
 - "Chattel"



Assets At Death

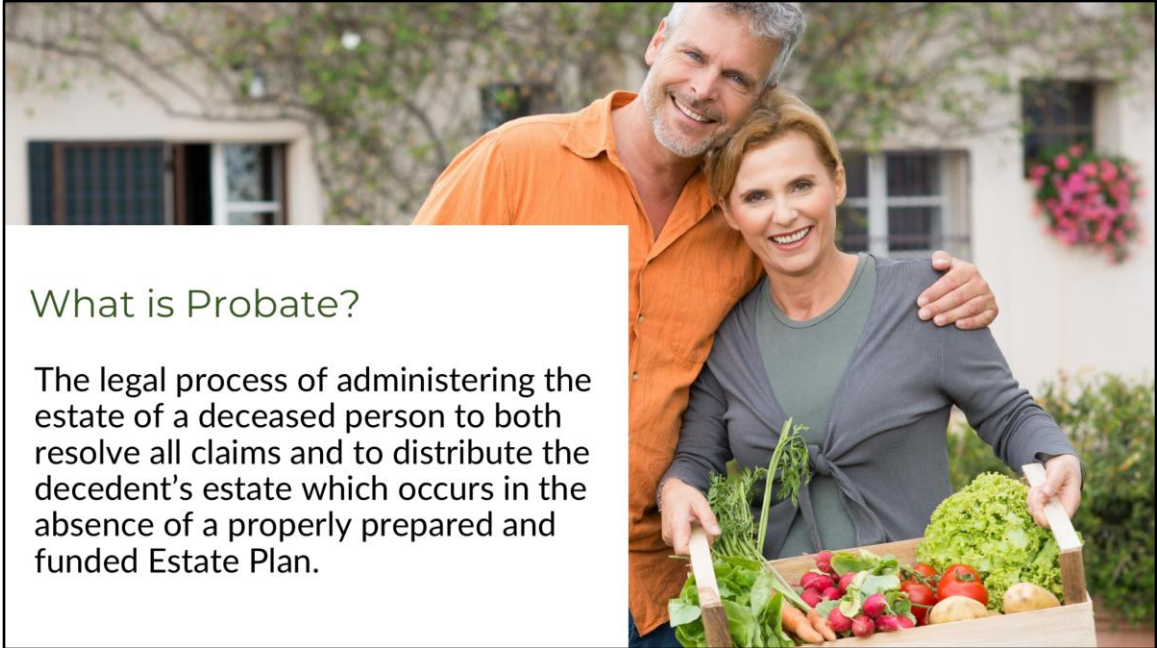
Death: 3 possible destinations for your assets....

- **Estate:** Assets without a beneficiary designation titled only in the descendant's name; go through the Probate process
- **Operation of Law:** Jointly titled assets, beneficiary designations, payable on death ("POD"), or transfer on death ("TOD")
- **Trust:** Trust named as the Beneficiary of your assets



What is Probate?

The legal process of administering the estate of a deceased person to both resolve all claims and to distribute the decedent's estate which occurs in the absence of a properly prepared and funded Estate Plan.



Objectives of Probate

- Appoints individuals to manage your affairs
- Resolves disputes
- Pays creditors
- Formally inventories your assets
- Appraises assets
- Changes titles of your assets
- Distributes one's estate





4 Reasons To Avoid Probate

1. Creates avoidable, unnecessary problems
 - Contests by potential heirs or creditors
2. Lengthy
 - Typically takes months to years to complete
3. Expensive
 - Legal fees, court costs, probate fees, etc.
4. Public
 - Makes your estate, finances, and heirs public to the world



A photograph of an older man and woman sitting at a white table, looking at a tablet together. The man is wearing a light blue shirt and the woman is wearing a black top and glasses. They are in a bright room with a window and a potted plant in the background.

Most Common Estate Plans

- Die Intestate (i.e., without a will)
- Last Will & Testament
- Spend Everything
- Joint Ownership Titles
- Revocable Living Trust

Top Estate Planning Mistakes to Avoid

- Having no plan at all
- Incorrect beneficiary designations
- Using internet or form documents
- Unintentionally disinherit heirs
- Not having the correct people selected who also have the correct powers if/when you become incapacitated
- Failing to protect your assets from the IRS, creditors, predators, bankruptcy, divorce, family issues, etc.
- Giving minors or spendthrifts inheritance without any parameters
- Ensuring your heirs do, in fact, go through the probate process



Durable Power of Attorney

- Gives a designated person the authority to make legal/financial decisions on behalf of that person
- “Why does this matter to me!?”
 - Without having one, family and friends will not be allowed to:
 - Make many important financial decisions
 - Pay your bills for you
 - Manage investment/financial accounts



Living Will

- Instructs care-providers of your desire for medical treatment and end-of-care decisions if you become incapacitated
 - Examples: Breathing assistance, tube feeding, comfort/pain care, bodily donations, autopsy decisions, cremation vs. burial
- Prevents loved ones from having to make difficult choices about your care and reduces the chances of confusion or arguments over what's in your best interest
- A health care power of attorney can be included as part of your living will, or it can be its own separate document





Healthcare Patient Advocate

- Gives a designated person the authority to make healthcare decisions on your behalf
- Focuses exclusively on your needs and to help you resolve concerns about the quality of your care, get the care you need, and ensure that your voice is heard in any decision-making.
- HIPPA Authorization grants access to your protected health information and medical records



PROBATE INFORMATION

Guardianship—Acting for the Disabled Adult

- Appointing a Guardian
- Compensation
- Powers & Duties
- Modify or Terminate
- Legal Assistance

Conservatorship—Acting for the Disabled Adult

- Appointing a Conservator
- Compensation
- Powers & Duties
- Modify or Terminate
- Legal Assistance

Durable Power of Attorney
Frequently Asked Questions

Probate Information Patient Advocate Designation—Designating Someone to Make Medical Decisions

Provided by the Probate & Estate Planning Section of the State Bar of Michigan



Patient Advocate Designation FAQs

What is a Patient Advocate Designation?

You have the legal right to make your own medical treatment decisions. But, suppose something happens that makes you unable to make your own medical treatment decisions? Who will speak to the doctors for you? You can choose a person to make these decisions for you by signing a legal document called a "patient advocate designation." This legal document gives the person you choose (the patient advocate) authority to make decisions for your care, custody, and medical treatment when you cannot.

What if I Don't Have a Patient Advocate Designation?

If you become unable to make your own decisions and you don't have a patient advocate designation, the probate court may be asked to appoint a guardian to make decisions for your care, custody, and medical treatment.



It may be necessary for a court to appoint a legal Guardian or Conservator for adults....

- Who have a physical or mental illness or disability that prevents them from taking care of their own basic needs;
- Who, as a result of their incapacity, are in danger of substantial harm; or
- Who have no person who is already legally authorized to assume responsibility for their personal affairs



It may be necessary for a court to appoint a legal Guardian or Conservator for adults who...

- Have a physical or mental illness or disability that prevents them from taking care of their own basic needs
- As a result of their incapacity, are in danger of substantial harm
- Have no person who is already legally authorized to assume responsibility for their personal affairs



Guardian vs. Conservator

- Guardian
 - Has the power make decisions affecting your well-being and personal needs
- Conservator
 - Has the power to handle an individual's property and financial affairs
- How To Avoid Needing Either = Patient Advocate & Power of Attorney





Quitclaim Deed
vs.
Ladybird Deed
vs.
Enhanced Life Estate Deed

Deeds Compared

- **Quitclaim Deed**
 - Immediate transfer of ownership
 - Creates Medicaid and tax issues
- **Ladybird Deed**
 - Transfer ownership upon death
 - Creates control and tax issues
- **Enhanced Life Estate Deed**
 - Transfers ownership upon death
 - Avoids Michigan's Recovery Act





Beneficiary Designations

Beneficiary Designations

- Avoiding Probate
 - Pay on Death ("P.O.D.")
 - Transfer on Death ("T.O.D.")
 - Joint Tenancy with Right of Survivorship ("JTWROS")
- Problems if done incorrectly
 - Wrong heir can inherit
 - Probate if beneficiary dies
 - Deferred if trust is not properly funded



Beneficiary Designations

- If you do not have a beneficiary named, that asset will enter the probate process. Probate will determine who it will belong to:
 - If your beneficiary predeceases you....
 - If a contingent beneficiary is (a) named and (b) alive, then the property will pass to that beneficiary.
 - If no contingent beneficiary is named, then the property goes to probate.



**PENSION PICKLE – BROKE WIDOWER
LOSES \$1M TO IN-LAW**





Last Will & Testament

Last Will & Testament

- What is a Will?
 - Roadmap of instructions to the probate court of who you want to receive what from your estate
 - A Personal Representative/Executor is named who carries these instructions out
- If you pass away with or without a will, your heirs will still have to go through the probate process
 - Only having a will is ticket to probate



A close-up photograph of a document titled "LIVING TRUST & ESTATE PLANNING". The text is printed in a serif font. A magnifying glass is positioned over the document, with its handle and lens visible. The background is a warm, golden-brown color, suggesting the paper is aged or the lighting is warm. The document is slightly tilted, and the magnifying glass is focused on the text.

LIVING TRUST
&
ESTATE PLANNING

Trusts



What is a Trust?

A Trust is a legal document created by you, the grantor, during your lifetime to bypass the cost and time consumption of probate and to enable your Trustee to carry out your wishes.



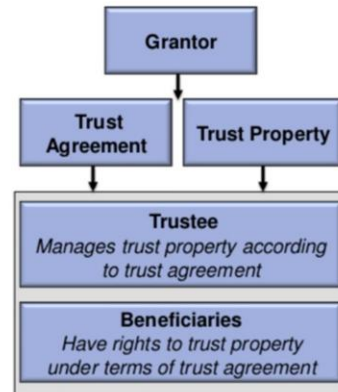
Elements of a Trust

- Grantor
- Trustee
- Corpus
- Terms
- Beneficiaries



Revocable Living Trust

- Established by the Grantor to protect and simplify the management & distribution of assets
- Grantor owns the assets within the Trust and typically is also the Trustee (i.e., still controls and manages the assets within the Trust)
- The Terms of the Trust provide that the Trust's asset are for the Grantor's benefit during his/her lifetime(s)
- Becomes irrevocable at Grantor's death



Benefits of a Trust

1. Avoids cost and publicity of probate
2. Protects assets from creditors, predators, divorces, etc.
3. *The Dead Hand*: You control the who, what, when, and how relating to distributions to beneficiaries
4. Ensures proper contingencies are established and honored
5. Capable of mitigating taxes





Your Safe

- Who do you want having the combination to control it?
- What do you want to put in the safe?
- Who/What/When/How: Do you want to inherit what's in the safe?



Taxes Payable at Death

- Capital Gains Taxes (unless you take advantage of the Trust set up)
- Federal Estate Tax (imposed on individuals whose taxable estate is more than **\$15,000,000** and **\$30,000,000** per couple)
- Income Taxes (mitigated through proper planning)
- Effects of the 2019 SECURE Act and SECURE Act 2.0



Irrevocable Trust

- The Grantor establish a trust with irrevocable terms that cannot be amended, revised, or terminated
- The Trustee manages and controls the Trust's assets/property for the benefit of the Trust's beneficiaries
- The Assets are not included within the Grantor's estate
- Used for tax avoidance, Medicaid planning, etc.



“I already have a plan.”

NOW IS THE TIME TO
REVIEW!

WHY?



Changes in Life, Health, & Property

- Have new beneficiaries recently been born (i.e., kids, grandchildren)?
 - Is your Trust language written Per Stirpes or Per Capita?
- Have current beneficiaries' lives changed (e.g., child's divorce)?
- Do you have new assets, property, or real estate to consider?
- Have your relationships changed with your Trustee, Power of Attorney, Patient Advocate, etc.? Is someone else now more appealing?
- Has your health changed?



SECURE Act 1.0 & 2.0 Changes

- Goodbye, Stretch IRA – Hello, 10-Year Rule
 - Are you going to increase your kids, grandkids, heirs', etc. tax burden?
- Before SECURE: Stretch IRA concept
 - RMDs were generally be paid by these beneficiaries beginning by the end of the year after the owner's death.
 - The beneficiary would then be permitted to take the minimum amount out of an inherited IRA each year that was required by law.
 - This meant less income tax burden while maximizing tax deferral
 - **Less taxes and more money**
- After SECURE: Non-spouse beneficiaries must deplete the account via taxable-withdrawals within only 10 years
 - Some exceptions: Beneficiaries who surviving spouses, minor children (until age 21) of the deceased account owner, chronically-ill beneficiaries, and beneficiaries who are less than 10 years younger than the decedent



Relevant Changes in OBBBA 2025 Tax Law

- Extended 2018 Income Tax rates and brackets
- Increased Standard Deduction starting in 2025
- \$6,000 Additional Deduction for 2025 to 2028
 - Per person, age 65 and older
 - Phase out above \$75k Single; \$150k MFJ
- \$40k Max Deduction - State & Local Taxes (SALT)
- O3B increased Federal estate tax exemption permanently
- \$15 million for 2026 and inflation adjusted annually



Time to execute
the plan!



We Are Not Your Typical Estate Planning Firm

- Focus: Estate & Wealth Protection
- We Consider:
 - Tax Planning/Horizon
 - Life Insurance
 - Retirement Goals
 - Financial Risk
 - Long-Term Care
- Our Goal = Legacy **Coordination**



Planning⁺ = Legacy Integration

planning

 [plan-ing] / ˈplæn ɪŋ /


NOUN

the act or process of making a plan or plans.



integrating

AMERICAN 

 [in-ti-grey-ting] / ɪn ˈtɪɡreɪ tɪŋ /

ADJECTIVE

1 coming or bringing together into a whole; uniting or combining.

Philosophy is an integrating discipline, as it puts all varieties of knowledge together and determines their overall significance.



Remember, Everyone Here Either...

- Does not have an Estate Plan
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- Has an Estate Plan from X time ago
- “Do-It-Yourselfer” (ex: LegalZoom.com)



How Does Legacy Integration Occur?



Step #1: Exit Comfort Zone



Step #2: Sense of Urgency





1	53	33	13	2	54	34	14		
	17	49	29	45	42	18	50	30	46
41		21	5			26	22		
9	25	37	57	10		38	58	6	
3	55	35	15	4	56	36		16	
	19		31				32		
43		51	23	47	44	20	52	48	
	27						24		
11		39	59	7	12	28	40	60	8

1	53	33	13	2	54	34	14
	17	49	29	45	42	18	30
41			21	5	46	50	
9	25	37	57	10	26	22	6
				38	58		
3	55	35	15	4	56	36	16
	19		31				32
43		51	23	47	44	20	52
	27			7			24
11		39	59	12	28	40	60
							8



“What’s This Going To Cost Me?”

- No billable hours
- Fixed, 1x fee based on your particular situation
- Typically, \$1,000 - \$3,000





Free Advice...

Avoid cheap and generic when purchasing the following:

- Scuba Gear
 - Parachutes
 - Shark Diving Cages
 - Bungee Cords
 - Estate Plans
- How are these purchases similar?
 - Answer: By the time you realize the product is defective it is too late to fix and the results are disastrous
 - World-famous fire fighter, Red Adair:
 - "If you think the cost of a professional is high, wait until you hire an amateur."



Next Steps

1. No cost, no obligation, initial consultation
2. Estate Plan Design
3. Individual Custom Drafting
4. Estate Plan Execution
5. Proper Trust Funding
6. Lifetime Relationship



What's It Look Like?

- Initial Complimentary Consultation
 - Getting to know you, your story, your family, your goals, and needs over a cup of coffee and a cookie
 - Recommendations for estate planning, asset protection, and tax planning
- If you decide to move forward, 2nd visit:
 - Review drafts
 - Asset protection and tax planning review
- 3rd visit:
 - Delivery of your custom Estate & Legacy Integration Plan
 - Properly funding your trust



Please Complete the Response Form!

WORKSHOP EVALUATION FORM

Date: _____ Phone Number: _____
Name: _____ Date of Birth: _____ Age: _____
Address: _____ City: _____ Zip: _____
Email Address: _____
Marital Status: Married Single Divorced Widowed
Spouse: _____ Date of Birth: _____ Age: _____

I am interested in a complimentary personal review regarding:
(Check all that apply)

<input type="checkbox"/> Durable Power of Attorney	<input type="checkbox"/> Patient Advocate
<input type="checkbox"/> Ladybird Deed	<input type="checkbox"/> Last Will & Testament
<input type="checkbox"/> Revocable Living Trust	<input type="checkbox"/> Irrevocable Living Trust
<input type="checkbox"/> Beneficiary Review	<input type="checkbox"/> General Estate Planning
<input type="checkbox"/> Other: _____	

What 3 things did you like about this presentation: _____

What suggestions could you provide to improve this presentation? _____

I would like to schedule a visit to discuss my options. The best daytime for me is:

Monday	Tuesday	Wednesday	Thursday	Friday
_____	_____	_____	_____	_____
a.m.		p.m.		

This letter does not constitute legal or tax advice. You are urged to consult with your own professional(s).





Thank You!

