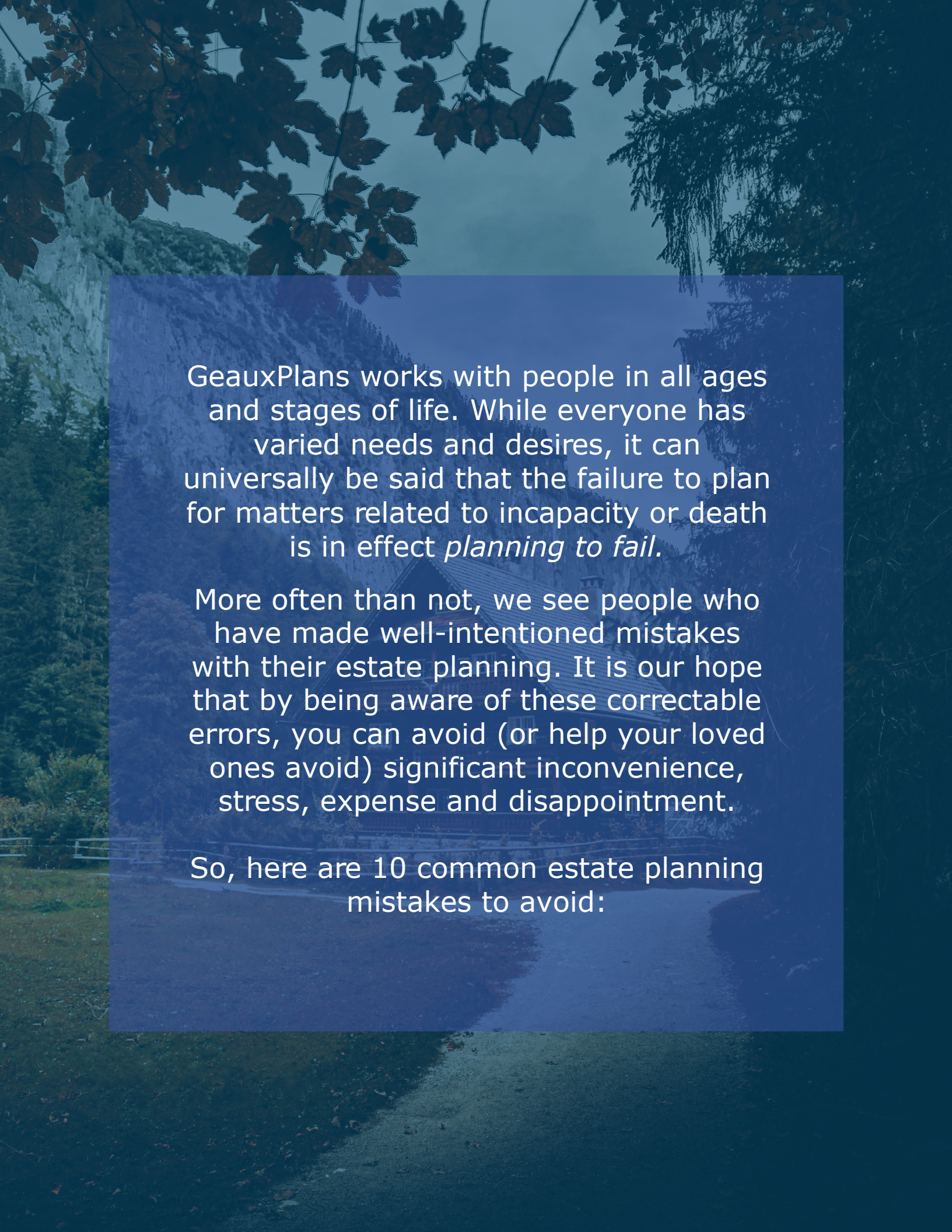




# **What Not To Do**

## **Top 10 Estate Planning Mistakes**





GeauxPlans works with people in all ages and stages of life. While everyone has varied needs and desires, it can universally be said that the failure to plan for matters related to incapacity or death is in effect *planning to fail*.

More often than not, we see people who have made well-intentioned mistakes with their estate planning. It is our hope that by being aware of these correctable errors, you can avoid (or help your loved ones avoid) significant inconvenience, stress, expense and disappointment.

So, here are 10 common estate planning mistakes to avoid:



## ESTATE PLANNING MISTAKE:

# 01

## Procrastination

Knowing isn't enough.  
You have to **ACT!**  
Procrastination is the  
silent killer of estate plans.

- Assess your needs
- Create what's missing
- Tie it in with your life!

Estate planning is the  
**most important** thing  
you can do to ensure  
*everything you own and  
everyone you love will be  
protected.*

Ready? Let's Geaux!

» Start Your Estate Plan



## ESTATE PLANNING MISTAKE:

# 02

### Failing to maintain your estate plan.

Everything changes and so must your estate plan - or eventually **it will fail**.

- Family
- Finances
- Health
- Law

All these things will change. We recommend that you review your estate plan *annually*, or at any life changing event to ensure you remain "all set."

Unlike other online estate planning platforms, GeauxPlans is **owned and maintained by an estate planning law firm**, which makes maintaining your estate plan easy and affordable.





## ESTATE PLANNING MISTAKE:

# 03

**Choosing  
the wrong  
online  
estate  
planning  
platform.**

Online estate planning forms are like a box of chocolates. **You never know what you are going to get until it's too late.** Beware of estate planning forms obtained from any source other than an estate planning law firm.

GeauxPlans is owned and maintained by an estate planning law firm. GeauxPlans documents are used by licensed estate planning lawyers in the actual practice of law. These essential attorney-grade legal forms are made available through GeauxPlans at a fraction of the cost.

[» Start Your Estate Plan \(Let's Geaux!\)](#)





## ESTATE PLANNING MISTAKE:

# 04

### Failure to coordinate non-probate assets and over-use of “pay on death” accounts.

A will or trust does not control the disposition of assets that are governed by beneficiary designation, like:

- Life insurance
- Annuities
- Retirement accounts
- "Pay on death" accounts

These "non-probate" assets must be coordinated with the entire estate plan to **avoid unintended results** and provide estate liquidity, where necessary. Testamentary intent can easily be frustrated by failing to take into account non-probate assets.





## ESTATE PLANNING MISTAKE:

# 05

**Failure to plan for blended families and other contingencies, such as people dying “out of order.”**



“I won’t have any trouble with my spouse’s kids if they die. I get along great with my step-children.” **Please, don’t count on it!**

Probate tends to bring out unresolved issues and undesirable character traits in most people. Unpleasant dynamics emerge even in the closest of families.

Estate planning documents should cover contingent situations such as:

- **A predeceasing spouse or child**

- Make clear provisions for a surviving spouse. Avoid putting a surviving spouse in a negotiating position with children.
- If minors or incapacitated persons inherit if someone dies out of order, establish a contingent minor's or special needs trust. Always nominate guardians for minor children.

- **Tax laws changes**

- Even if your estate is under the current value threshold subject to Federal estate tax, it is always best to plan for that contingency.



## ESTATE PLANNING MISTAKE:

# 06

### Misuse of revocable living trust planning.

A Revocable Living Trust can be a useful tool, but is not a magic elixir. Proper funding of a Revocable Trust is vital and can be overlooked, which will defeat the purpose of a Revocable Trust in avoiding probate.

Revocable Trusts can be useful for certain purposes, such as:

- Avoiding the cost and administrative burden of probate
- Preserving the characterization of assets
- Avoiding ancillary probate in another state
- Maintaining privacy
- Minimizing disputes
- Improved control over assets during a period of incapacity, or as part of a comprehensive asset protection plan

Revocable Trusts provide **zero asset protection or tax benefits alone**, but in conjunction with other devices, can be useful in toggling control or effecting a relatively quick transition of assets across state lines or into more protective entities.

A full understanding of the benefits and limitations of a Revocable Trust is recommended before engaging in revocable trust planning.



## ESTATE PLANNING MISTAKE:

# 07

**Failure to consider the impact of community property laws.**



All property is **presumed** to be community property if you live in a community property state, unless there is **legal proof** of separate property status. This is true even if the property is held in the name of only one spouse. This can dramatically impact an estate plan.

- *Surviving spouses can be left destitute.*
- *Children can be effectively disinherited.*

Disputes regarding the character of property are common and **expensive**. Failure to consider, change, or preserve the character of property can disrupt the best laid estate plan.



## ESTATE PLANNING MISTAKE:

# 08

## Failure to plan for potential incapacity.

A **Durable Financial Power of Attorney** will allow your selected person to make financial decisions if you become incapacitated.

A **Durable Medical Power of Attorney** will allow your selected person to arrange for medical care if you become incapacitated.

An **Advance Healthcare Directive (a/k/a Living Will)** will allow you to make important end-of-life decisions regarding the continuation of life support.

Failure to have these documents in place ***before an event of incapacity*** often requires an ***expensive court proceeding*** to appoint a guardian or curator, or a "right to die" contest.



## ESTATE PLANNING MISTAKE:

# 09

### Putting a child's name on a deed or account.

If you need to divest yourself of assets for some reason, such as asset protection planning, create a plan that allows you to maintain control of your assets. Assets transferred to a child during life are subject to their risks, such as **divorce, death, bankruptcy, or other claims**. This puts your financial security at risk.

You also *leave money on the table* with a direct gift to a child. A child will not receive a **step-up in tax basis** for any asset received as a lifetime gift, triggering **taxable income** if the asset is later sold by the child. Conversely, assets received by way of an *inheritance or the right kind of trust* receive a step-up in tax basis, which means the asset can be sold **tax-free**.





## ESTATE PLANNING MISTAKE:

# 10

**Not meeting  
with an estate  
planning  
attorney.**

An experienced estate planning attorney can provide you with strategies based on your particular circumstances, including advanced needs such as *Asset Protection*.

GeauxPlans is owned and maintained by an estate planning law firm and every GeauxPlan is backed by a **Triple Guaranty**:

- **#1 Free Changes for 30 days**
  - *Any changes to your GeauxPlan within the first thirty (30) days are free!*
- **#2 Free Strategy Session with an Estate Planning Attorney**
  - *You are entitled to a complimentary meeting with an affiliated estate planning attorney to discuss any issues or concerns you may have regarding your estate plan within thirty (30) days after starting your GeauxPlan.*
- **#3 100% Credit of Your GeauxPlans Fee**
  - *You will receive a 100% credit of your GeauxPlan fee towards an attorney-prepared estate plan with an affiliated Louisiana estate planning law firm at any time within the first year, which means you can test drive your GeauxPlan for an entire year!*

Remember that ***knowing isn't enough***. You have to **ACT!**

Ready? ***Let's Geaux!***

» Start Your Estate Plan

