

Estate Planning

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What can an estate plan do?

Transfer	Transfer your property according to your wishes
Minimize	Minimize estate taxes
Protect	Protect beneficiaries
Prevent	Prevent family disputes
Safeguard	Safeguard assets from being squandered or wasted
Reduce	Reduce long-term care costs
Avoid	Avoid need for guardianship if you become incapacitated
Ensure	Ensure your health care wishes are followed
Make	Make charitable gifts



When should you review your estate plan?



Upon a major life event

Marriage/Divorce

Retirement

Birth/Death



When there is a substantial change in wealth

Inheritance

Lottery



Your family dynamics change for the better or worse



You have a major illness or other health event



When there is a key tax law change



At least every 3-5 years



Questions to ask yourself about your goals

Who...

- Do you want to distribute your wealth to?
- Do you trust to manage your assets and make decisions?

When...

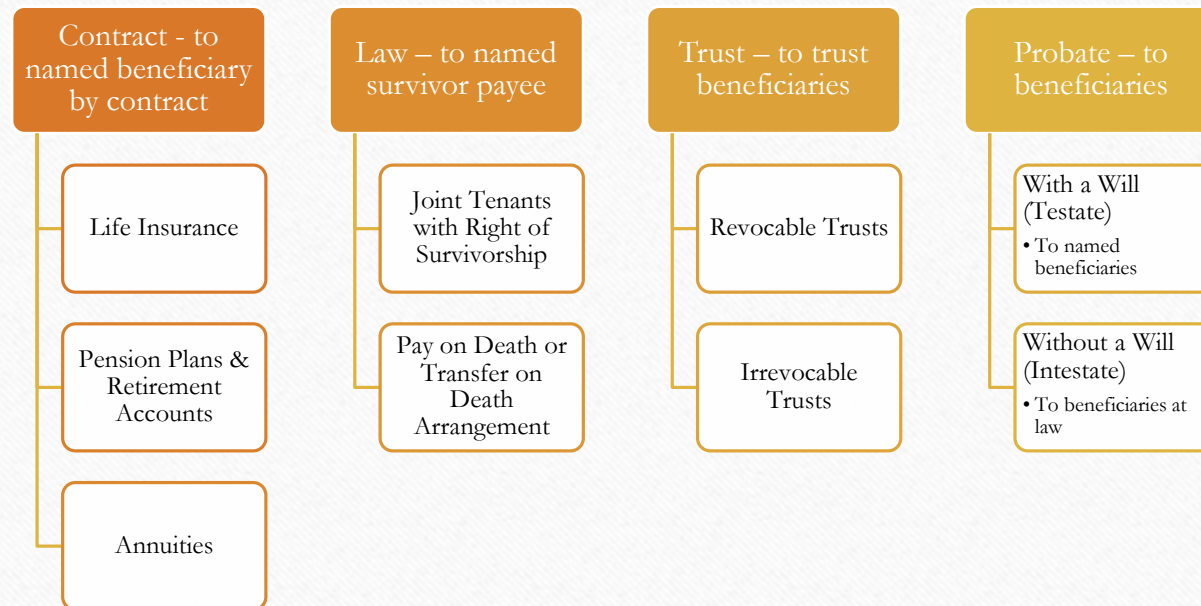
- Do you want to distribute assets?
- Do you want your beneficiaries to have access to those assets?

What...

- Assets do you want to distribute to your beneficiaries?
- Are your biggest concerns (long-term care costs, estate taxes, etc.)?



How are assets disposed of at death?



Will

Trust

Beneficiary Designations

Power of Attorney

Advance Health Care Directives

What
documents
will you
execute?



What is it?

- Document signed during your lifetime that takes effect at your death
- Creates an estate that is managed by your **Executor**
- Handled through the court system
- Requires your closest living relatives to consent when submitted to court

What can it do?

- Transfer probate property to your named beneficiaries
- Nominate guardian for minor children
- Contain testamentary trusts

What can't it do?

- Distribute non-probate property
- Leave funeral instructions
- Leave money for pets
- Hold property for several years
- Be kept private

Last Will & Testament



Trusts

What is it?

- Legal entity that owns and manages assets for the benefit of the beneficiaries
- The Trustee is responsible for managing the trust and following the instructions of the trust
- Types include revocable, irrevocable and testamentary

What can it do?

- Be changed as your life changes (revocable trust)
- Hold assets for many years, including during your lifetime
- Make periodic distributions to beneficiaries
- Own almost any asset (house, car, bank account, stocks, life insurance, personal property)
- Be kept private (intervivos trust only)

What can't it do?

- Be changed as your life changes (irrevocable trust)
- Nominate a guardian for minor children
- Transfer property that isn't titled to the trust
- Hold retirement accounts, generally (tax consequences)



Why Might You Want a Trust?

Privacy

Second marriage

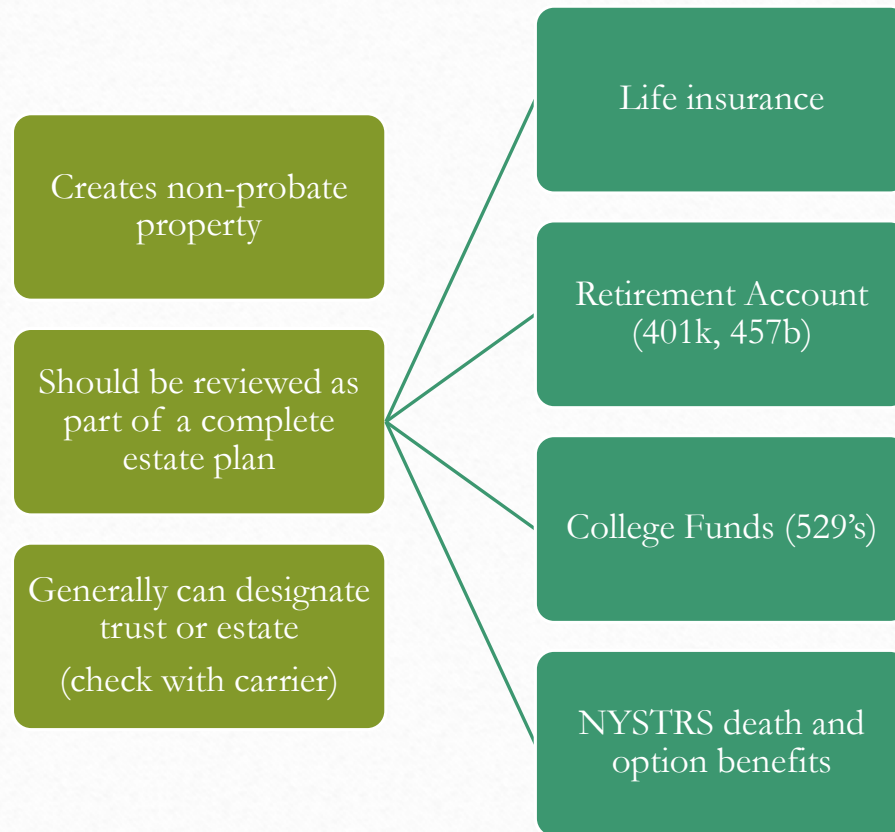
Minor beneficiaries

Special needs
beneficiary

Beneficiaries with
personal concerns
(creditors, divorce,
drug/alcohol abuse)

Long-term care
planning &
protection





Beneficiary designations



Power of Attorney



Allows one or more people you trust to manage financial matters while you are still alive



You retain ability to act on your own behalf



May remain effective even if you become incompetent (Durable)



NYS Statutory POA & Gifts Rider



NYS Statutory Power of Attorney and Gifts Rider

With a NYS
Statutory POA, your
agent(s) can only act
in the areas you
grant authority.
Common areas
include:

- Real estate
- Banking
- Insurance
- Government benefits
- Health care billing & records
- Retirement transactions
- Tax transactions

If you want your
agent to be able to
make gifts, you must
execute a NYS
Statutory Gifts Rider
at the same time as
the Power of
Attorney and specify
the authority you are
granting your agent

- Open joint accounts
- Change beneficiary designations
- Transfer property to trust
- Self-gifting authority



Advance Health Care Directives



Health Care Proxy

Names one or more individuals (in succession, they cannot act jointly) to make health care decisions at times you are unable to



Living Will

A written document that tells doctors your wishes regarding life-sustaining treatments and may address organ donation



Medical Orders for Life Sustaining Treatment (MOLST)

Provides detailed medical care preferences and is created with your physician when you are near the end of life



Do Not Resuscitate (DNR)

Tells medical staff that you do not want CPR or other life sustaining measures if your heart stops beating

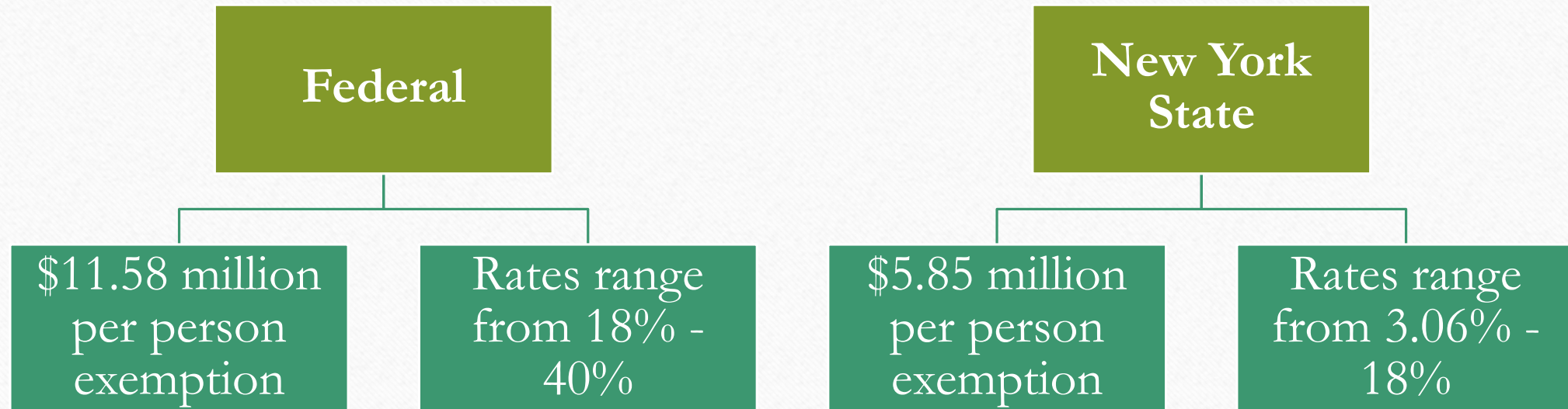


Funeral Instructions

Provides detailed instructions and wishes regarding the disposal of your remains and funeral services



Estate Taxes



Exemptions and rates as of 2020



Long-Term Care

Assisted Living

- \$4,185 - \$5,916 per month

Home care services

- \$20/hour

Nursing home care

- \$8,520 - \$11,940 per month



Covering Long-Term Care Costs



Self-Pay



Long-Term Care Insurance



Medicaid



Medicaid Limits

	Monthly Income Limits		Resource (Asset) Limit ¹	
	Single Individual	Married Couple	Single Individual	Married Couple
Nursing Home	\$50	\$3,216 ²	\$15,750	\$74,820 - \$128,640 ²
Assisted Living	\$1,477	\$2,954	\$15,750	\$23,100
Home Care	\$859	\$1,304	\$15,750	\$23,100

¹some assets are exempt from the resource limit

²assumes spouse remains at home (“community spouse”)

Limitations as of 2020



Choosing an estate planning attorney

Get Recommendations

- Family, Friends, Bar Association

Interview the Attorney

- How long have you been practicing?
- How will you communicate with me?
- What are the best ways to contact you?
- Will you be my point of contact, or will it be someone else, such as a paralegal?
- Will you send me updates about the status of my plan, or should I expect to take the initiative?

Understand Fees

- Flat fee v. Hourly rates
- Total cost will vary by region and complexity of estate
- Free consultation

Make a Decision

- Choose someone that meets your needs and fits your personality
- You may be asked to sign an engagement letter



What do you own? How is it titled
(jointly, individually, with a
beneficiary)?

- Bank accounts
- Stocks, bonds, investments
- Real estate
- Personal property (jewelry, firearms, antiques)
- Vehicles
- Retirement accounts
- Life insurance
- Safe deposit box

Who do you want to be in charge?

- Executor for Will
- Trustee for Trust
- Agent for Power of Attorney
- Proxy for Health Care Directive

What are your goals?

- Guard against long-term care costs
- Provide for minor beneficiaries
- Protect vulnerable beneficiaries
- Prevent family disputes
- Reduce estate taxes

Before you meet with an attorney



Thank you...

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