

**Will:** Regardless of your assets or how they are owned, everyone should have a will.

1. Without a will state law determines who gets your assets. They may not go to the persons you want to have them. For instance: For a married couple with children, if one spouse dies the surviving spouse may get up to 50% with the other 50% going to the children (with direct payout to children 18 and over). Many couples would prefer that all assets go to the surviving spouse who could use the money for the children if needed.
2. If you have children under 19, you need to appoint a guardian. Without a will the courts appoint who they want and set up a costly and complicated guardianship process where all monies are given outright to the children at age 18.
3. You should dictate who will safeguard and distribute your assets after your death.

**Durable General/Financial Power of Attorney:** Every person should consider having a durable power of attorney for financial/legal affairs. What happens to your affairs if you have a serious accident or illness? Who signs your tax returns, handles litigation arising from the accident, pays your bills?

**Advanced Medical Directive/Medical Power of Attorney:** A durable power of attorney for health care purposes allows you to make decisions in advance about your medical care so in the event you become incapable of making decisions for yourself there is a defined plan in place. This directive can dictate whether or not you want life sustaining measures such as artificial feeding and hydration. Equally important, it allows you to designate a trusted individual as "agent" to make medical decisions should you not be able to do so rather than leaving it up to medical personnel or whatever family member the state may appoint.

**Revocable Living Trust:** The revocable living trust (RLT) is widely used because three reasons:

1. "Disability Insurance" - The RLT provides management for your assets in the event of temporary or permanent disability.
2. Probate avoidance - The RLT avoids the cost (often 3-4% of assets) and delays (often 9 months to 3 years) of the probate process. Unlike probate the RLT is not public record and it is not as easily contested as a will.
3. Flexibility - Once all your assets are transferred to the RLT it is easy to maintain and may be changed or amended at any time.

**Estate Tax Planning:** An unmarried or widowed individual with a house, investments, IRA/Pensions, life insurance, jewelry, automobiles, etc. totaling over \$2 million in value should be prepared to pay taxes of about 50% on anything over the \$2 million threshold. This tax can be reduced or eliminated with some simple and basic tax planning.

### Quick Estate Planning Facts

- Over 70% of all Americans don't even have the most basic element of estate planning.
- Unwittingly they are leaving their assets BOTH during their lifetime and at death to the control of others.
- In the process they and their families pay a large amount of monetary and emotional cost that could have been avoided with some simple planning.

Did you know that without a will upon your passing away your spouse may not be able to sell your home or have the legal control to deal with even the most basic financial decisions?

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