

2017 ESTATE PLANNING RESOLUTIONS

With the start of the New Year many people are making resolutions in hopes of improving their wealth, health and happiness. Whatever the goal, the process of making a New Years resolution is important as a person takes the time to review their current life status and determine if a change is needed. While most New Years resolutions focus on goals of personal change, an important area to consider when making these resolutions is your own personal estate planning. While setting a New Years Resolution for estate planning may not be as exciting as losing weight, gaining wealth or finding new romance, a thoughtful drafted and current estate plan can help you and your heirs have peace of mind that your wishes will be carried out and reduce the financial costs and emotional turmoil upon your incapacity or death. This article reviews three (3) estate planning resolutions to due in 2017.

1. **REVIEW YOUR CURRENT ESTATE PLAN TO MAKE SURE IT REFLECTS YOUR PRESENT LIFE STATUS**

Many of my clients have established their estate plan including a Last Will and Testament, Durable Power of Attorney, Living Will and Health Care Surrogate at a time they were at life changing event such as marriage, birth of a child, health crisis, divorce or death of a loved one. Once they complete the estate plan, the documents remain secured in a safe deposit box or their lawyers Will vault. However, life circumstances often change from when an original estate plan is made. Some of these life changes include children growing older, a divorce or the persons you selected back then to receive or manage your assets may not be your choice for today. In 2017, make a resolution to have your legal documents reviewed by a well qualified estate planning attorney to confirm they reflect the current status of your life and state who you seek to manage and inherit your assets when you are no longer able to do so.

2. **REVIEW YOU CURRENT ESTATE PLAN TO MAKE SURE IT INCLUDES NEW STATE OR FEDERAL LEGISLATION THAT WAS ENACTED IN THE PRIOR YEAR.**

The law is constantly evolving with each year bringing new statutory changes which can impact an estate plan. An example of this in 2016 was the enactment of The Florida Fiduciary Access to Digital Asset Act, effective July 01, 2016. This new legislation created new laws about the management of digital assets by a person's Personal Representative or Durable Power of Attorney. In an age when many people have digital assets such as on-line bank accounts, photos, music and domain names, the passage of a law which allows your representatives to manage these assets is an important development in Florida law. In 2017, make a resolution to have your legal documents reviewed by a well qualified attorney to confirm your documents include this new power under Florida law and also to review any other statutory changes which may affect your estate plan.

3. REVIEW YOUR CURRENT ESTATE PLAN TO MAXIMIZE YOUR TAX PLANNING AND SAVINGS

For many clients, the fear of payment of Federal Estate Tax at a rate of 40% can lead to many sleepless nights. For 2017, the estate and gift tax exemption is \$5.49 million dollars per individual with a couple to have just under \$11 million dollars as their exemption. This means that anything above the exemption amount will be taxed for Federal Estate Tax at a rate of 40%. Our attorneys at Clarie Law Offices, P.A. can draft complex estate planning documents to reduce the payment of Federal Estate Tax if you fall above the exemption.

For most of us, our net worth is well below the 2017 Federal Estate Tax exemption and the need for complex estate tax planning is not required. However, the Federal tax code provides many different types of deductions and credits which may be taken by an individual which benefit estate planning even if your estate is well below the value of \$5.49 million dollars. Maximizing these tax benefits not only reduces the amount of tax owed by a person or couple but also preserves wealth for your heirs. In 2017, make a resolution to visit with your well qualified tax preparer and estate planning attorney to confirm you have fully maximized the benefits available to you under the tax code and when applicable integrated this planning into your estate plan.

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