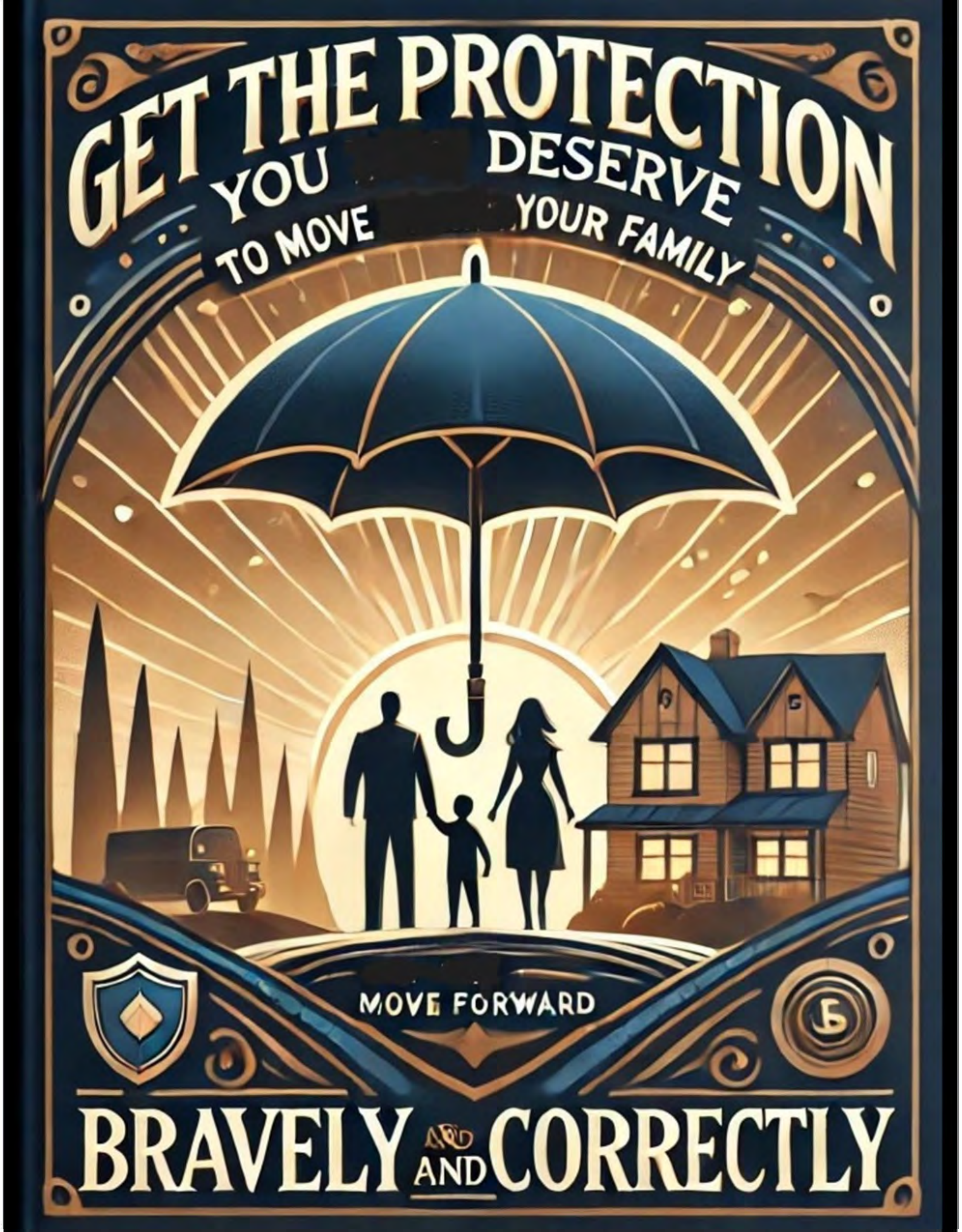
GET THE PROTECTION
YOU [redacted] DESERVE
TO MOVE [redacted] YOUR FAMILY
[redacted]
MOVE FORWARD
BRAVELY AND CORRECTLY

Get the Protection You Deserve for Your Family to Move Forward Bravely and Correctly

A Guide to Securing Your Loved One's Future with Confidence

Achieve peace of mind and get shielded from creditors and predators

ENSURE YOUR LEGACY

Call our office today:

754.332.2101

www.elliotlegal.com

Make your appointment for a

FREE 30-MINUTE CONSULTATION

(A $250.00 value)

Our holistic approach will see you through from start to finish

Elliot Legal Group

DISCLAIMER PAGE

Published The Elliot Legal Group PA
Printed in the United States of America.
ISBN

Additional copies are available at special quantity discounts for bulk purchases for sales promotions, premiums, fundraising, and educational use.
For more information, please contact:
The Elliot Legal Group, P.A.
3101 N Federal Hwy, Ste 600
Fort Lauderdale, Florida 33306

Telephone: 754.332.2101

Table of Contents

Introduction

What drives my passion for estate planning?

One of life's most mysterious and emotional challenges involves confronting our fear of mortality. Humans are the only animals who understand that our lives are finite. This knowledge that we won't be around forever profoundly affects what we do and why we do it.

Author and philosopher, Ernest Becker, in his book *Denial of Death*, described this challenge in these poignant words:

"Man cannot endure his own littleness unless he can translate it into meaningfulness on the largest possible level."

Before they come to see me, many clients feel diverse concerns – many of which they have trouble even expressing clearly – regarding the future and the next generation. We must deal with this confusion, uncertainty, and lack of confidence. Why? Because it has ramifications for the present!

If you don't feel prepared and protected, it's harder to concentrate on the present – to be spontaneous and free in your personal and business life.

Helping my clients protect their hard work, assets, and wishes is a great honor.

To me, the work is not just about creating documents and putting together the estate planning "puzzle" – it's also about providing peace of mind and freedom from worry for people who really need it.

Of course, estate plans are also puzzles – and fascinating ones at that. Solving them requires many skills: facility with financial instruments; knowledge of the law; a good "bedside manner;" an ability to listen and empathize; and, creativity.

What I do is really fun and interesting!

In some ways, being an estate planning lawyer is like being a chef. You can choose from many different "spices" and "ingredients" and use an array of "utensils" to prepare nourishing meals, metaphorically speaking.

Consider Richard, who had an $24 million estate that mainly consisted of real estate parcels divided up into multiple lots. With advanced planning, Richard figured out how to pass these assets to his children and charities that he loved with minimal tax consequences.

But what if Richard had slacked off and failed to plan? Well, his exemptions only totaled $12.06 million. That means that *one-half* of his estate (around $12 million) could be taxed at a rate as high as *40%.* As a result, $4.8 million of the estate could go to the government, not to his kids.

Now, imagine he is married. Today, both he and his wife have an exemption of $12.06 million. However, absent new legislation, the exemption drops to $6 million on January 1, 2026. If Richard passes before January 1, 2026 and the wife lives past that date, and Richard leaves everything to his wife, that $24.12 exemption is cut in half.

Estate planning isn't just important for people like Richard – folks who have a lot of money and who want to control assets and get shielded from business liability.

Families, farmers, retirees, entrepreneurs, and everyone in between can benefit from the tools and ideas that I'll be laying out in this book.

For instance, take Tangela, a successful entrepreneur and mother. Tangela was stunned after her mother's death by the surprising viciousness with which her brother and sister fought over their parent's old home. Despite her best efforts at making peace, she still has not been able to get her brother and sister in the same room – a consequence of her mother and father's lack of planning.

Then there's the case of Helen, an independent farmer who put together an estate plan back when she was in early 30s. Helen took a "set it and forget it" approach to this plan. 40 years later, when she passed away, her children were horrified to discover that the government and creditors took so much of the farm (and its assets) that her legacy was rendered effectively valueless.

Had Helen simply updated her plan regularly, she could have saved the farm and kept it going, perhaps for many generations. Instead, a treasure to her family and the community was lost. Her grandchildren – saddled with student loan debt – could have cleared their credit and started their careers unburdened.

I wrote this book because I'm passionate about helping people gain control over their lives and achieve their good work on Earth. I sincerely hope you enjoy these insights. If you need more specific and personal help, please skip ahead to the end to learn how to get a free half-hour consultation (normally valued at $250), so we can strategize together about how to reach your goals in a way that resonates with your priorities and values.

The Elliot Legal Group, P.A.: a unique approach

Move Forward Bravely and Correctly

My family creed, the Elliot clan, is fortiter et recte. Roughly translated, this means correctly and bravely. My family creed has become the mission statement for my firm: to help our clients Move Forward Bravely and Correctly.

Certainty 1: Do I really need to 'plan my estate,' anyway?

Whether you're an "invincible" healthy young woman in her mid-20s or a 50-something-year-old entrepreneur on your third big venture, you probably don't relish the thought of taking time out of your busy life to contemplate what will happen to you when you become unwell and when you die.

This is normal – it's human nature to want to avoid these kinds of conversations.

That said, since you're reading this book, you already understand (to a degree) that you need such plans. But you may not fully appreciate the mission.

Here's a perspective you might not have considered. The late General (and President) Dwight D. Eisenhower once offered the following Yoda-like observation: "plans are useless, but planning is indispensable."

What Eisenhower meant by that strange statement is that the plans you make today – before you go to battle or get sick – will change as circumstances change. You can never figure out what an enemy will do in a war or how new tax laws will evolve or how the stock market will flow.

However, the act of planning *in and of itself* organizes you to meet the surprises of the future with more nimbleness.

Holly had a solid estate plan that reflected her priorities. She got sick with leukemia and had to spend months in the hospital. But she managed her business and finances because she had done the spadework when she was well.

The farm analogy rings true. You sew the field in good weather, so you can reap the harvest and eat in bad weather.

Preparation helps your family. James suddenly died in a car accident, leaving his small children and spouse faced with possible bills, creditors, and tax headaches. But because he did his due diligence, obtained the right insurance, and established trusts, James shielded his loved ones from creditors, helped his estate bypass problematic taxation, and gave his wife money (through the insurance) to raise the family.

Knowing that your plans are solid lets you be more carefree and spontaneous. Form follows function. It’s a lot easier (and less scary) to cross a bridge across a chasm when there’s a sturdy railing.

Certainty 2: What documents do I need to prepare?

Amanda wanted to keep her estate plans simple. As a working mom, she didn’t have a lot of time to mull a deep investment strategy or do anything fancy. Plus, she and her husband, Eric, didn’t have a lot in savings.

Amanda aimed to get the “minimum done” before her third child was born and then figure out a more detailed strategy later, when she had breathing room.

I might tell Amanda to create the following documents:

- **Advanced healthcare directive**. She would provide written guidance for Eric (and for her doctors) about what to do if she became incapacitated and what treatments she would like.

- **Durable power of attorney**. This document would allow Eric (or her mother) to make legal decisions for her, if she became incapacitated.

- **HIPAA release form**. HIPAA is a law designed to protect the privacy of patients. It can be a double-edged sword, since it can prevent people like Eric or Amanda's mother from accessing her medical records and treatment information without having to go through an elaborate process. The HIPAA release bypasses that mess.

- **Will or revocable living trust**. These documents determine how Amanda wants her assets allocated after she dies and provide instructions for her heirs. Amanda might also want to include a document detailing what she wants done with her computer files and popular blog as well.

(Note: a will is just a statement of intention to the court. It suggests where you want your assets to go and who should be the executor. But a judge must say the will is valid before it goes into effect, legally speaking.)

With that basic preparation done, Amanda can feel more secure, although she’d likely benefit from a more detailed strategy and a regular reassessment of her financial world and priorities.

Certainty 3: Don't you need a lot of money before creating an estate plan?

Absolutely not. Estate planning helps people of every income bracket.

For instance, take Charles. His sister, Nancy, was on the autism spectrum. Their father (the last surviving parent) died without putting together an estate plan. Nancy had lived at home with her father; she had no job or connections in the neighborhood because of her disability.

The father had run a small retail business that wasn't worth much when he died. But he bought his home back in the 1960s, and the property was now worth $1.2 million. Charles's plan was to sell the home and split the proceeds between him and Nancy. But there was a big problem. If Nancy had inherited these assets, she would have become ineligible to collect Social Security Income (SSI) benefits. She needed that money to pay for things like clothes, groceries, medical needs, etc.

Charles fixed the problem by establishing a first-party special needs trust to serve as a trustee. Nancy would continue to receive SSI (as long as Richard remained alive), and the trust could purchase important things for her, such as a television or a trip to the Bahamas.

Of course, had Nancy's father established a special needs trust back when he was alive, Charles would not have had to go through this song and dance.

The moral here is that planning is a “must-do” project, not a “would like to do if I have the time one-day” project.

Certainty 4: What will it cost me if I delay getting my estate planning done… or just don't do it all?

The costs in terms of money, time and peace of mind could be huge.

But shockingly, 55% of Americans die without estate plans. Why is that?

To answer that, let's turn to bestselling author Stephen Covey ("The 7 Habits of Highly Effective People"), who built a quadrant model to discuss how people prioritize things. Per Covey:

- **Quadrant 1 activities are urgent and important**, such as paying your taxes when they are due. We get them done.

- **Quadrant 3 activities are urgent but not important,** such as watching a football game on Sunday night. We tend to respond to the “latest and loudest,” so most people do a lot of Quadrant 1 and 3 things.

- **Quadrant 4 concerns activities that are neither important, nor urgent**, such as playing Candy Crush online. Most of us spend far too much time in Quadrant 4 than we’d like to admit!

- **Quadrant 2 is unique. It concerns *important* activities that are not urgent.** Estate planning falls squarely in Quadrant 2.

The more time and energy we devote to Quadrant 2 activities, the richer and better our lives and legacy become. However, working in Quadrant 2 requires focus and a deep appreciation of what really matters in life.

Anyway, keep that in mind as we go through the following example.

Consider the case of Rosaline. After her sister died, she hired an estate planning lawyer to handle the estate. Rosaline was 64, and her sister, Carolyn, was 75 when she died. Carolyn had a will, not a trust, forcing the estate to be probated.

Rosaline saw the cumbersome probate process for what it was, but she refused to get her own estate plan in order. In fact, she spent *11 years* avoiding the work. Why? Because she was estranged from her son, who had left the house when he was a teenager and who had avoided contact with his mother ever since.

As Rosaline approached retirement age, she launched a quest to find and reconnect with her son – who, at this point, was in his 50s. But he still refused to see her. And since he was only her child, Rosaline abandoned the idea of planning. When she finally passed away, her younger brother, Avis, contacted the same estate planning attorney who worked on Carolyn's estate long ago. They both assumed Rosaline's estate would be modest, but it turned out to be worth over $1.4 million. But probate costs, legal fees and taxes stripped Rosaline's estate of much of its value – money that could have been earmarked for a good cause, like a charity or her younger brother's children's education.

Estate planning is not just about *your* comfort level and needs. It's also about your *legacy* – about your family, your friends, the causes you believe in, the good work you do on earth.

When you fail to plan, you don't just hurt yourself – you also, in effect, turn your back on those who need your help.

Certainty 5: What triggers people to "finally get on" with estate planning?

Why do people finally get with the program?

Julianne and Roger were in love with their 6-year-old and 2-year-old, but they badly needed time to reconnect as a couple and breathe free from the constant burdens of childcare.

So they left their children with Julianne's parents and got plane tickets to Rome. The plan was: drink fine wine, eat amazing food, sleep a lot, and live uninterruptedly for the first time in years.

To their surprise, though, Julianne and Roger's conversation on the first night turned to the kids. Being 5,000 miles away from them for the time ever, they suddenly realized what was at stake. What if something happened to the two of them? Who would take care of the kids?

Julianne's parents were older, Roger's were no longer alive, and Roger's younger brother (the only sibling either had) was a basket case who was in bad debt. This dinner in Rome became the existential wake-up call that they needed to get their estate planning done.

Lance had a different epiphany. His best friend from college, Loren, suffered a massive coronary while hiking in the Sierra Nevadas and dropped dead on the trail. It was a chilling reminder to Lance that he wouldn't live forever.

Dennis, meanwhile, was 37 with two children. A blood test revealed bad news: elevated triglycerides, low HDL cholesterol, and pre-diabetes.

Reminders of mortality can often motivate even slackers to do their estate planning.

Another (happier) trigger inspired Tamara. She hadn't really considered what to do with her money because, frankly, she didn't have much, until her online business took off. She suddenly found herself with 30,000 newsletter subscribers and a monthly income of $70,000. This influx of cash excited but also overwhelmed her, and it put her in a mindset of wanting to be responsible. She still remembered what happened when grandfather (who didn't plan) got dementia, forcing Tamara's mother to spend many painful years cleaning up.

Certainty 6: What do I need to know to plan for my children's needs?

Maria avoided planning her estate until she got pregnant with her second child, and she only got going because she read an internet article that scared her into action. So she buckled down and answered the following questions.

1. *If someone else needed to raise my kids, what parenting philosophy would I want him or her to follow?* Maria wanted her brother, Fredrico, to raise the kids if anything happened to her or her husband. But Fredrico had odd habits and a cranky worldview that she didn't want to pass on to her children. So, she wrote

down that Fredrico should teach the kids compassion, moderation, and respect for cultural differences.

2. *What values, religious and otherwise, do I want to pass along?* A self-described “lapsed Catholic,” Maria nevertheless thought it was important to teach her children her heritage and the importance of community giving. She also wanted the kids to learn Spanish and regularly visit their *abuela* and *abuelo*.

3. *What do we want our children to know about our life story?* Maria and her husband wrote out a short family history and a family tree.

Certainty 7: What if I don't die but rather become incapacitated? What would happen to me and my family?

Michael was a self-described "born slacker" who always waited until the last minute to do everything – to turn in school assignments, file taxes, and get his estate planning done.

Unfortunately, this "slacker" tendency left him ill-prepared for a skydive, causing a bad accident that left him comatose. When his estate planning attorney went through his documents, she found that he only had a will. He did not have a trust or any organized documents to determine how to pay his bills or care for his family. She managed to triage the situation, but her legal fees (and other costs to the estate) ate away at Michael's savings, leaving his wife and young child without much to rebuild their lives.

Certainty 8: Once I establish a trust, I can "take my hands off the wheel," right?

Not necessarily.

If you forget to place assets in trust, those assets will end up in probate, creating headaches for your beneficiaries.

Plus, tax laws and relevant rules and regulations change over time, creating both opportunities and obstacles.

Think about establishing a trust (or estate planning solution) as like going to the doctor or buying a car. It's not a 'set it and forget it' proposition. Some maintenance is required to ensure best practices.

Certainty 9: Do I need an estate planning attorney, specifically, or can I work with a generalist, like a business lawyer?

Consider this cautionary tale. Dorit was a lawyer who had a business law background. She took care of her father's estate, which wasn't complex. She thought she had crossed all the t's and dotted all the i's. However, when her father passed away, she discovered $150,000 in property that she hadn't properly prepared for in the estate.

This asset had to be funneled through the probate process, which led to thousands of dollars in unnecessary fees. The moral of Dorit's story is that sometimes in life, you need to acknowledge your limitations and trust someone who has more experience. You go to your dentist for regular checkups, but you choose an oral surgeon for delicate facial reconstructive surgery. Similarly, when you're planning your financial future, opt to work with someone who handles estate planning day in and day out and who works with clients with a similar financial background.

Certainty 10: What are trusts, and why are they important in estate planning?

Trusts are instruments that create a contract between someone who owns an asset, such as a house or an account, and someone, known as the “trustee,” who manages that property for the benefit of another person or entity.

For instance: James establishes a trust because he wants to pass his business assets and savings accounts to his two kids, Martha and Olive. James sadly passed on at the early age of 65, and now those assets need to be transferred to his children. But someone must pay taxes on the assets, handle creditors who might want some of the property and deal with other logistical and liability issues.

The trustee is the person who deals with all that "stuff." Martha and Olive, the people who benefit from the trust, are known as "the beneficiaries."

Why do people use this type of instrument? It makes the process of distributing assets a lot simpler. If you only use a will, the law will mandate that your assets get passed through probate so they can be tracked and organized.

There are many different kinds of trusts available. A so-called *living trust* is one that you complete while you are alive. You also manage the assets and benefit from them. When you die, your trustee takes over and handles the assets as you have directed.

In some ways, a trust is like a little business. If Intel sells a building on its campus for $5 million, that money doesn't just immediately enrich the shareholders. It goes *inside* the company, where it's managed and ultimately distributed.

The trust in this analogy is a lot like Intel. It's an entity designed to manage your money and assets in an organized way.

Clarity 11: Will setting up a trust help me avoid (or minimize) taxes?

It can, under certain circumstances.

Remember Richard, who had the $24 million in real estate?

As we discussed earlier, Richard had just $12.06 million in exemptions, which meant that roughly $12 million of his holdings would be taxed at a high rate.

One smart solution for him might be to take $12 million and distribute it to his children and then take another $12 million and establish a marital trust for his second wife. That trust would effectively say to his wife: “while you are living, you will be the beneficiary of any assets produced by the real estate held in trust for you."

So Richard's wife now has protection, and when she dies, the money will then pass through to his children.

This is an oversimplification to demonstrate a point. But Richard's whole goal here is to increase his non-taxable exemptions to $24 million and thus reduce his tax liability.

No trust (or any other estate planning instrument) can work magic. There are limitations to what can be accomplished in terms of tax savings and other benefits.

But wielded skillfully, these tools can be quite powerful, provided that you plan enough in advance and understand the technical details of the instruments.

Certainty 12: What other tools can I use to craft my estate plan?

The catalog is long and complex and includes lots of possibilities, including family limited partnerships, LLCs, Medicaid asset protection trusts, bridge trusts, gun trusts, charitable gift annuities, third-party asset protection trusts, special needs trusts, and the list goes on!

The challenge, of course, is knowing when and how to use these tools and under what circumstances. Just like you can walk into a restaurant supply shop and buy all manner of ingredients and utensils, it's hard to prep a 12-course restaurant quality dinner if you’ve never been in the kitchen before. Internet research and determination won’t cut it. You really need to know what you’re doing and why.

Certainty 13: Can I make changes to my trust (and other documents)?

The answer again depends on what kind of trust (or instrument) you've established and what timeframes and other rules and restrictions govern the situation.

In general, the more sophisticated and complex the planning, the more moving parts there will be, and the more challenging it will be to shift things around without getting into trouble.

The nature and size of the assets that you lay away in the trust (or other vehicle) can also be important. For instances, Teddy purchased a house 30 years ago for

$400,000. Today, thanks to appreciation, it’s worth $12 million. He and his wife want to leave the house evenly to all three children, so each will get $4 million. To shield his children from so-called “creditors and predators,” Teddy could establish a trust that allows each child access to $4 million. This act would prevent “outlaw in-laws” and creditors and others from touching the money. Teddy might alternatively create incentive trusts, like educational trusts, which would reward his children for doing things like getting their bachelors degrees or would dole out money over time to curtail the chance of reckless spending.

Certainty 14: What should I do about items that are sentimental but not valuable?

Disputes over seemingly low-value assets that are nevertheless sentimentally important can wreck families.

Famously, in 2015, Robin Williams's family got involved in a bitter dispute over what to do with the late actor's Hollywood memorabilia. Should it go to his wife or his children? The public legal battle demonstrated how debates over sentimental items motivate people and fuel passions.

Be as specific as possible with respect to your assets. Itemize exactly what you want done with this type of property and how you want to do it. Leave little room for interpretation or error.

This rule of thumb also goes for things like pet planning. If you own a beloved dog or cat, create exact provisions for who will care for the animal and how. The fewer details you leave to chance and negotiation – particularly when it comes to sentimental assets – the better.

Certainty 15: How often do tax laws change, and what can I do about it?

To make trade flow smoothly, legislatures generally try to avoid altering tax laws too radically and too often. Otherwise, consumers could not plan, and businesses would adopt ultra-conservative postures, causing the economy to stagnate.

However, just because tax law evolves slowly and conservatively doesn’t mean it’s frozen solid.

Congress can change federal tax laws at any time, and local and state tax laws also shift. These modifications can have big implications for your plans. As we’ve discussed, the best way to protect yourself and ensure your plan reflects your priorities and values is to reevaluate it at regular intervals – for instance, every year or any time a major life event (e.g. your daughter gets married) occurs.

Certainty 16: Why should I work with your estate planning team?

If you're a do-it-yourself-er (DIY-er), you might be tempted to "have a go" at creating your own estate plan using tools available online. But simple, the planning process (usually) is not! You'll have to understand many technical rules and address them skillfully.

Remember Dorit, the business attorney who did her mother's planning and accidentally forgot to shield $150,000 worth of property from probate?

Also, recognize that when you are incapacitated or dead, you don't get a “do-over.” You can’t monitor the process after the fact.

Finally, appreciate the high stakes. A bad strategy can burden your family and needlessly strip thousands of dollars of value from your estate. It’s not just the fees, taxes, creditor issues… it’s that your loved ones will have to clean up the mess.

“Everyone must leave something behind when he dies, my grandfather said. A child or a book or a painting or a house or a wall built or a pair of shoes made...It doesn't matter what you do, he said, so long as you change something from the way it was before you touched it into something that's like you after you take your hands away.” - Ray Bradbury, author

Take action now.

I want to thank you for spending time with me. Hopefully, you're now (at least slightly!) less confused by the why's and wherefores of estate planning and also more motivated to get to work on this critical "Quadrant 2" activity. Your future self and loved ones are counting on you.

Normally, I charge prospective clients $250.00 for a half-hour consult to discuss their estate planning goals, but I'd like to offer you a consultation as a FREE gift. A "thank you" from me to you for taking the time to read this book and consider its ideas.

Please call my offices at 754.332.2101 to schedule this consultation now to obtain the peace of mind and clarity that you deserve!

Take action today toward

CLARITY ABOUT YOUR FUTURE!

Call our office TODAY!
Make your appointment for a
FREE CONSULTATION
(A $250.00 value)

Take CONTROL

Of Your Future and Your Legacy!

Move Forward Bravely and Correctly!

Call:

754.332.2101

www.elliotlegal.com

I will share all of your options.
Move Forward Bravely and Correctly