CHAPTER 1

Goals of Estate Planning

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The true goals of estate planning are different for everybody. Some people enjoy living frugally and saving to leave assets to their loved ones, while others hope to spend their last dollar on their last day. Some want to leave their entire estate outright to their children, whereas others want to strictly control the manner and timing of distributions to their beneficiaries. Still others intend to leave most of their estate to charity.

Because the phrase "estate planning" is thrown around so much today, it is important to come up with a definition of estate planning. Basically, your estate consists of all the assets you have accumulated during your lifetime, including your real estate, bank and brokerage accounts, retirement plans, life insurance, other investments, and even your junk. Everything you own and value that can be passed on is your estate. Planning for your estate is best done while you are still alive and well because the purpose of planning is for the time when we are either no longer alive or no longer well. Thus, good estate planning should cover three potential time frames: the present, disability, and death.

Planning for the present consists of coming up with a plan that does not unduly complicate your life as well as one that enables you to stay in control of your estate as long as possible. You also need a plan that remains as flexible and changeable as possible in order to adapt to constantly changing rules, statutes, and laws. Planning for disability usually comes next. Although none of us wish to become incapacitated, the reality is that surveys suggest close to half of all seniors will become disabled at some point in their lives. Do you know who will take care of you, your spouse, and others who may be dependent on you if that should occur? Lastly, you plan for when you're gone. This time frame is where most of us focus when considering our estate planning. Again, everyone's goals will be different for post-death planning.

Many well-respected attorneys battle the myth that the only purpose of estate planning is to avoid probate and save on taxes at death. While both of these goals are important, they are but a small part of our true purpose for post-death estate planning. For some people, the primary goal is to pass on a family business or farm to a child who is active in the business, yet try to equalize assets going to another child. Others want to ensure inheritances going to family members are protected as much as possible from divorcing spouses, creditors, lawsuits, illness, or bankruptcy, and also want to protect heirs who may be too young or too immature from their own bad spending habits, possible addictions, and bad influences. Getting advice from a qualified estate planning attorney can offer many options with which to achieve these goals.

With the proper tools and advice you can accomplish almost any estate planning goal you have in mind. This book is a collection of estate planning tools used by some of the best estate planning attorneys in the country; all members of WealthCounsel, a national organization of estate planning attorneys. In contrast to some professionals who may prepare estate plans focused on little more than probate-avoidance and tax-minimization, or as the old saying goes, "If you only have a hammer, everything looks like a nail," the attorneys contributing to this book have assembled a hardware store's supply of tools to enable you to achieve your individual and varying estate planning goals in the best possible way for you and your loved ones.

Hannon T. Ford, The Ford Law Office, L.L.C., creates estate, medical assistance, and business succession plans. Through our unique counseling and design process our clients understand they have a plan which will work.

Estate Planning Goals Worksheet

X	GOALS
	Provide financial security to my spouse.
	Provide financial security for my children and/or grandchildren.
	Divide my estate equally among my children.
	Gift interests to family members.
	Transfer ownership of a business or other assets to loved ones, partners, or employees with a minimum amount of transfer tax.
	Provide adequate liquidity and ongoing cash flow for those responsible for administering the estate.
	Minimize current and future transfer and income taxes.
	Provide for a favorite charity.
	Fund educational expenses for children or grandchildren.
	Provide an adequate safety net for lifetime contingencies such as disability or death of a spouse.
	Avoid probate and other administrative costs.
	Avoid legal hassles or disputes with third parties, including taxing authorities.
	Maintain flexibility in the overall estate plan to adapt to changing circumstances.
	Maintain control over or ensure competent management of assets.
	Minimize exposure to liabilities that could consume one's assets.
	Ensure that assets ultimately pass to intended parties.
	Avoid disputes among family members or business owners.
	Avoid complexity in the overall estate plan and in the specific techniques used to implement the plan.
	Other:
	Other:
	Other: