

Estate Planning

In the event of death, disability, or terminal illness, a properly designed estate plan will allow you to care for your loved ones and direct your assets to the people or organizations who you want to receive them under the specific conditions of your choosing, all while ideally minimizing taxes and preserving the value of your estate. Going without an estate plan can leave your family unprepared if something were to happen to you unexpectedly. That's why, regardless of age, it is vital to have an estate plan in order for your wishes to be carried out.

The basic building blocks of estate planning include wills and powers of attorney. A will states your wishes for who is to receive your assets after death and allows you to name guardians for dependent children. Without this document, the courts will make these decisions for you. A power of attorney grants someone of your choosing the power to act in your place for legal and financial decisions. These types of documents are of particular importance when it comes to medical decisions. For example, with a living will you can state your preferences on the types of health care you want to receive, and a durable health care power of attorney will name someone you trust to make medical decisions on your behalf.

Trusts are another important estate planning tool. They come in many forms and can be used for many purposes. Due to some of the limitations with wills, trusts are often used for increasing privacy by avoiding probate, putting conditions on how and when your assets are distributed after death, and reducing estate and gift taxes. Trusts can also be used for charitable purposes (i.e. charitable lead trusts, charitable remainder trusts, etc.) or limiting the estate tax impact of life insurance policies (i.e. irrevocable life insurance trust or ILIT). State laws vary significantly in the area of trusts, so be sure to consult with your attorney when considering your options.

Estate planning is not something you do just once. Ongoing changes to gift and estate tax laws can quickly make an estate plan obsolete, so making periodic updates can ensure that your plan is in line with current regulations. Just as you'd review your portfolio in light of shifting market conditions, you should also review and update your estate plan as your life changes to reflect your current wishes for the protection and disposition of your property.

Although we do not offer legal advice, we can still help start these conversations and begin taking the steps to create the peace of mind for you and your family that a properly constructed estate plan can provide.

Jonathan E. Stano, CFP® is the Director of Financial Planning at FinTrust Investment Advisors located at the Greenville, SC office. For more information, call 864-288-2849 or e-mail jstano@fintrustadvisors.com. The information contained herein has been obtained from sources considered reliable, but its accuracy and completeness are not guaranteed. The material has been prepared for information purposes and is not a solicitation or an offer to buy any security or instrument or to participate in any trading strategy. Past performance is no guarantee of future results. Securities offered through FinTrust Brokerage Services, LLC.