

Stiller Law Offices

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Client Article

Ch-Ch-Ch-Ch-Changes

The Need for Regular Estate Planning Reviews

As an estate planning professional, I am often asked questions after an estate plan has been completed about when or how often the estate plan should be reviewed and/or changed. Some clients believe that once the plan has been drafted and signed, the matter is done forever. But estate plans should be reviewed periodically. You don't take your car in for a tune-up once and forget about it for 100,000 miles, do you? There are many reasons for a plan review, such as changes in your personal or business circumstances, your finances, your health or your family situation, as well as changes in the law.

As a rule of thumb, your estate plan should be reviewed every three or four years. Those with very complex plans should be having reviews annually, particularly if annual gifting or other estate tax minimization strategies are

being employed.

As you may know, Ohio has repealed its estate tax. The federal estate tax does not kick in until a person has in excess of \$5.45 million dollars of assets at death, nearly \$11 million for a married couple.

There have been significant changes in state and federal estate tax law that warrant changes to many estate plans to focus on income tax planning opportunities. Many clients with trust-based estate plans can benefit from new strategies that maximize these opportunities. Failure to consider these new strategies can lead to missed opportunities to minimize the future income tax effects to your family

You Should Know



It is very important to confirm and coordinate the title to your assets and your beneficiary designations to maximize the benefits of your estate plan. Regular estate planning reviews can uncover new assets that have not been properly titled and others that may have been omitted or overlooked when the estate plan was completed.

Because of these changes, many clients no longer have to plan for the payment of estate taxes. A review of an older trust-based estate plan that was focused on estate tax planning can uncover opportunities to plan for minimization of income taxes instead. Many clients now have an opportunity to reduce the income taxes that their families will pay in the future.

Maybe your children or other beneficiaries turned out better than you expected. Perhaps that is not the case. A review of your current situation can provide you with options to address the life changes unique to your family. You may want to add asset protection planning for a child who turned out to be a spendthrift. You may want to provide outright distributions if you have responsible adult beneficiaries or your asset values have shrunk. Your retirement account may have grown and you may wish to

provide annual payments for your grandchildren.

Of course, clients with Will-based estate plans also benefit from a review of their plans. Additional planning needs, and the strategies to address them, are often identified and implemented as a result of such a review. Many clients with Will-based plans have changed their minds about beneficiaries or the assets a beneficiary is meant to receive. Without a review of the estate plan, a client is likely to forget what asset is to go to what beneficiary when making everyday decisions. Such clients may sell assets that are designated to be distributed to a certain loved one. If the intent to benefit a particular person is still important, a change must be made to the plan to ensure that the loved one receives his or her intended gift. If you used any probate avoidance planning, such as Transfer or Payable on Death designations, you may

have derailed your Will-based plan inadvertently.

Reviewing your plan is the only way to ensure that it still does what you want or need it to do.

Children grow up. If you have young children, you might think this will never be so, but it is, all too soon I might add. Many older estate plans that were created when a client's children were young no longer reflect what the parent now wishes for his or her adult children. Without a regular review, the parent may leave a plan that doesn't work for the family.

Change is inevitable. By having regular estate planning reviews, you can ensure that your goals will continue to be met, whatever changes may occur.

If you have questions, it is important to consult a professional regarding your specific situation. At Stiller Law Offices, we are accessible and are always available to assist you with a review of your current estate plan.

Contact us for more information about the topics discussed in this article. This information is provided as a service to our clients and is not intended to be and does not constitute legal advice.

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