

Estate Planning

“Estate planning” is a process that helps you prepare for death or disability. You don’t have to be wealthy to need it, and it covers more than just reducing taxes or passing on assets. The types of documents involved may include:

- Wills
- Powers of Attorney (“POA”) for financial and legal matters
- Powers of Attorney (“POA”) for healthcare, personal care, and custody
- Trusts
- Beneficiary designations for retirement accounts and insurance
- Titling of real estate, bank accounts, and other assets
- Delegation of “stand-by” guardians for minor children
- Nomination of successor guardians for disabled adults
- Insurance
- Arrangements for the continuation and management of a family business or sole proprietorship
- Planning for care of pets or livestock (including “pet trusts”)

People have various goals when they consider estate planning. Some are looking at financial benefit, some are thinking about minimizing fighting among heirs, and others are looking for privacy. Topics we consider include:

- Preservation of assets
- Reduction of estate taxes
- Providing for future care needs, including nursing home costs or Medicaid (MaineCare)
- Protection for elderly parents, grandchildren, or children with disabilities
- Sheltering privacy
- Preserving an inheritance for the future
- Guarding assets against creditors, lawsuits, and failed marriages
- Seamless administration of assets upon disability or death
- Continuation of a family business

WHO NEEDS ESTATE PLANNING? *Everyone!* Certainly, the older you get, the

more you start thinking about how to transfer your assets to your grown children or others. But families with young children need to do estate planning. So do people who have children from a previous marriage, or those who are unmarried or in alternative lifestyle relationships. Single adults — young or old — need to plan as well. *Estate planning is not just for “wealthy” people.* The government has an estate plan for you if you don’t actively select one, but it may not coincide with what you would have wanted.

WHAT IS DISABILITY PLANNING? No one hopes to be disabled or incapacitated, but it happens. Accidents, illnesses, and old age can take away your ability to earn money, care for your family, or manage your affairs. Creating a basic plan for this is included in comprehensive estate planning documents.

WHAT IS “ASSET PROTECTION”? Hopefully, your money and other assets are available when you need them. You don’t want to pay taxes if you don’t have to, or pay outright for medical care when it can be avoided. You don’t want to leave money for a grandchild’s college and have it spent on home repairs. There are legal ways to structure your affairs to avoid this. When your primary goal is asset protection, the conversation for your estate planning documents focuses on:

- Protecting assets during your life
- Keeping wealth in the family
- Protecting assets for spouses, partners, children and other loved ones
 - While you’re alive
 - After your death
 - protecting your spouse from predators
 - protecting your children’s inheritance
 - from controlling or divorcing spouses
 - from creditors

WHAT IF WE ALREADY HAVE DOCUMENTS? Like one’s life, estate planning is a work-in-progress. It is not just documents created once, then hidden away in the safe deposit box for no further review. Your estate plan will not be worth the money spent on designing it unless you plan for regular review as laws change and your life continues to evolve. Typical life events that might affect your planning include births, deaths, marriages, divorces, retirement, and moving.

WHAT IF WE'RE NEW MAINE RESIDENTS? We will take the time to review your old documents (if they exist) to determine if they're still relevant. State laws often differ. We will advise about compliance with Maine law, possible changes to your existing estate plan, and preparation of new estate planning documents if necessary.

WHAT IF WE LIVE ELSEWHERE BUT HAVE PROPERTY IN MAINE? In that case, you should have estate planning documents created in your home state. We would be delighted to work with you and your local attorney to assist with:

- Preserving the family vacation home in Maine for future generations using Qualified Personal Residence Trusts (QPRTs), Limited Liability Companies (LLCs), or Family Real Estate Trusts
- Deeds and related services to convey Maine property to a trust or LLC
- Advice about the application of Maine tax and real estate law to real and personal property located in Maine
- Selecting a low-tax domicile for mariners and other individuals who do not have to work or live in the state of Maine

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