

*ADAMS* LAW OFFICE, LLC  
Helping families get their financial house in order



# Your Workbook



ARE YOUR AFFAIRS IN ORDER?

How to Leave a Legacy Instead of a Mess!



# 3 WAYS TO GET VALUE FROM THIS WORKBOOK

1

Print this workbook and refer to it during our educational webinar to stay fully engaged.

2

Take notes on the actions you want to implement quickly.

3

Think of at least ONE question you want answered while meeting with an attorney. If I don't answer your question during the webinar, you email it using the form on the webinar page or ask it during your Legacy Planning Session with one of our attorneys.



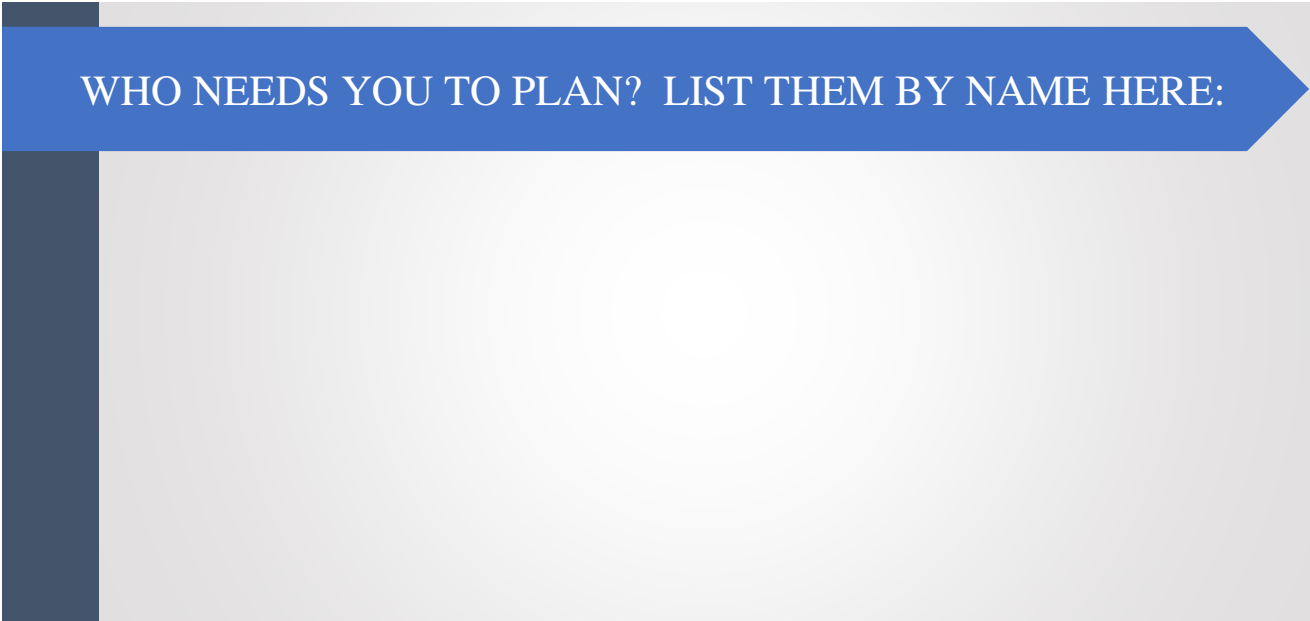
# THE BIG PICTURE

Estate planning is not about \_\_\_\_\_.

It is about the people you \_\_\_\_\_.

They will know whether you lived up to your promise “ \_\_\_\_\_  
\_\_\_\_\_ ”.

**WHO NEEDS YOU TO PLAN? LIST THEM BY NAME HERE:**



# ESTATE PLANNING TERMINOLOGY

## What is in Your Estate?

- All of your assets (household \_\_\_\_\_, jewelry, vehicles, real estate, financial accounts, AND life insurance)
- As of 2023, federal estate taxes are 40% for estates > \$12.7 million; Maryland is ~16% for estates > \$5 million

## Some of the Maryland Intestacy Laws

- If you die without a Will in MD, your estate is distributed according to the following:
  - If survived by spouse and parents: spousal allowance plus  $\frac{1}{2}$  of estate to spouse, balance to parents (length of marriage rules apply)
  - If survived by spouse and minor children:  $\frac{1}{2}$  of estate to spouse;  $\frac{1}{2}$  to children
  - If survived by spouse and adult children: spousal allowance plus  $\frac{1}{2}$  of estate to spouse,  $\frac{1}{2}$  of estate to children
  - If no living heirs or step-children: estate goes to the Board of Education

QUESTIONS, INSIGHTS, AND ACTION ITEMS

# ESTATE PLANNING TERMINOLOGY CONT'D

## What is probate?

- Orphan's Court and Register of Wills supervision of the distribution of your assets after death
- Primary issues: administrative burden on family; costly; delays distributions; public, so exposes to predators

## Which transfers avoid probate?

- Joint tenancy, beneficiary \_\_\_\_\_, and trusts

## What else should be included in an estate plan?

- Record of tangible AND intangible assets
- Guardianship Designation for minor kids
- Durable Power of Attorney – agent to handle financial affairs during incapacity
- Advance Healthcare Directive, HIPAA Authorization, Living Will, and Organ Donation Addendum – agent to handle medical decisions during incapacity and end of life treatment decisions; access to medical records
- Last Will and Testament – details who gets what and who handles the distributions
- Family Trust (revocable) and Legacy Protection Trust (irrevocable)

QUESTIONS, INSIGHTS, AND ACTION ITEMS

# ESTATE PLANNING WITH TRUSTS

## How a Living Trust Works

- Trust Agreement creates a separate legal entity that remains in existence after your passing until assets are all distributed.
- Parties: Grantor, Trustee, Successor \_\_\_\_\_, Beneficiaries
- Must be funded to work; meaning assets must be retitled in the name of the trust.

## Revocable versus Irrevocable Trusts

- Our Family Trust (revocable) = an open treasure chest; you have complete control over it because you are Grantor, Trustee, and Beneficiary (used to avoid probate and planning for beneficiaries; not used for asset protection from creditors)
- Our Legacy Trust (irrevocable) = a closed and locked treasure chest; you name a trusted person as Trustee and Lifetime Beneficiary (used for Medicaid planning and asset protection)

## Benefits of a Living Trust

- Avoids probate and multi-state probate
- Allows control over distributions for minors and other beneficiaries
- Provides asset protection for beneficiaries
- Minimizes or eliminates estate taxes
- Reduces estate expenses
- Allows management of assets during incapacity thereby avoiding adult guardianship \_\_\_\_\_

QUESTIONS, INSIGHTS, AND ACTION ITEMS

# WHAT MATTERS MOST: YOUR LEGACY

1

Your \_\_\_\_\_

2

Your \_\_\_\_\_

3

Your \_\_\_\_\_

4

Your \_\_\_\_\_

QUESTIONS, INSIGHTS, AND ACTION ITEMS

## HOW YOU TAKE ACTION TODAY BEFORE IT'S TOO LATE

- Schedule your Legacy Planning Session to get started on your estate plan.
- This is a working meeting where you choose which estate plan works best for you, we start designing your estate plan, you sign the Representation Agreement, and you select a payment option.
- Then 4 weeks later we conduct your Signing Ceremony and your Legacy Interview.
- This is a big day because your estate plan is in place. Pop the champagne!
- Then we make sure your assets are funded into your Trust!

### QUESTIONS, INSIGHTS, AND ACTION ITEMS



# VIDEO 2

## SAD DAY NO. 1

### LIFE INSURANCE FOR A MINOR

1

\_\_\_\_\_ court is required.

2

\_\_\_\_\_ and

\_\_\_\_\_ override your Will.

3

A \_\_\_\_\_

is a Will substitute.

### QUESTIONS, INSIGHTS, AND ACTION ITEMS

# SAD DAY NO. 2

## AN EMERGENCY SITUATION

1

\_\_\_\_\_ is about what happens in an emergency and who raises your kids if you can't.

2

Only \_\_\_\_\_ are default Temporary Guardians.

3

Your plan \_\_\_\_\_ unless you share it with others.

QUESTIONS, INSIGHTS, AND ACTION ITEMS

# SAD DAY NO. 3

## ADULT INCAPACITY

1

Your doctors cannot talk to anyone about your condition without \_\_\_\_\_.

2

Your medical decisions are made by \_\_\_\_\_ by default.

3

It does not make a difference if you are \_\_\_\_\_.

QUESTIONS, INSIGHTS, AND ACTION ITEMS

# SAD DAY NO. 4

## A PARENT PASSES AWAY

1

When to \_\_\_\_\_  
is decided as a group.

2

A \_\_\_\_\_ has the  
final say as to who raises children.

3

Out-of- \_\_\_\_\_ real estate  
means \_\_\_\_\_ probate.

QUESTIONS, INSIGHTS, AND ACTION ITEMS

# SAD DAY NO. 5

## YOUNG ADULTS INHERITING

1

After probate \_\_\_\_\_  
goes to your heirs outright.

2

With \_\_\_\_\_  
your children and heirs have no financial guidance.

3

You can build in a \_\_\_\_\_  
to help your children and heirs adjust.

QUESTIONS, INSIGHTS, AND ACTION ITEMS

# ANSWER SHEET

## FOR THE FILL-IN-THE BLANKS

### **Big Picture**

you  
love most  
“I took care of it”

### **Estate Planning Terminology**

goods  
designations

### **Estate Planning with Trusts**

Trustee(s)  
proceedings

### **Your Legacy**

insights  
values  
stories  
experiences

### **Sad Day No. 1**

probate  
joint ownership  
beneficiary designations  
revocable living trust

### **Sad Day No. 2**

Guardianship  
adult blood relatives  
will not work

### **Sad Day No. 3**

HIPAA release  
Committee  
married

### **Sad Day No. 4**

remove life support  
probate judge  
out-of-state  
double

### **Sad Day No. 5**

everything that's left  
outright distributions  
financial mentor