

Preparing an estate plan is important regardless of your age, wealth and medical condition. While becoming incapacitated due to an illness or injury or dying without an estate plan will leave your loved ones mired in uncertainty, putting a plan in place will minimize the burden on your family while ensuring that your final wishes are carried through.

In addition to understanding the estate planning tools and strategies that are available to you, when preparing an estate plan, it is also important to avoid mistakes during the process. Here are seven examples of estate planning mistakes you will want to avoid:

1. Only Focusing on Distributing Your Property After Death

Most people think of an estate plan as a way to distribute their assets after death. While this is *one* aspect of an estate plan, a comprehensive estate plan can serve a number of other important purposes as well. These include planning for your incapacity and appointing a guardian for your minor children.

2. Making Long-Term Decisions Before You are Ready

While many estate planning tools provide the flexibility to make changes over time, others can severely limit your options in the future. Before committing to something like an irrevocable trust, it is important to make sure that this is truly in your long-term best interests.

3. Failing to Consider the Tax Implications of Your Estate Planning Strategy

From income and capital gains taxes to gift and estate taxes, avoiding unnecessarily liability to the Internal Revenue Service (IRS) requires careful tax planning. While some transactions can trigger immediate tax liability, others can eliminate taxes or defer them for decades to come.

4. Leaving Your Loved Ones Exposed to Probate

If your estate plan consists solely of a will, your loved ones will be forced to deal with the probate process after your death. The same is true if your estate plan leaves certain issues unresolved. Since probate can be costly, time-consuming and stressful, it is generally best to avoid probate to the greatest extent possible.

5. Not Discussing Your Plan with Your Loved Ones

Whether you are appointing a health care surrogate or you are seeking to preserve assets for future generations, there are a number of aspects of your estate plan that it is important to discuss with your loved ones. Many of your decisions will inherently impact other people, so it is important not to make them in a vacuum.

6. Not Completing the Process

Many people start their estate plans with good intentions, but then they never complete the process. Your estate plan is not enforceable until you sign it, so it will be important for you to see the process through to its conclusion.

7. Treating Your Estate Plan as if it is Set in Stone

Finally, once you complete your estate plan, it is important to remember that your plan is not set in stone. As your circumstances change, your estate plan may require changes as well, and it will be important to make sure that you revisit your plan from time to time.

Schedule an Initial Estate Planning Consultation in McKinney, TX

Are you ready to put together your estate plan? If so, we encourage you to schedule a free initial consultation with one of our estate planning lawyers in McKinney, TX. To request an appointment at your convenience, please call (214) 726-1450 or inquire online today.