Successful celebrities earn more money than most of us could ever dream of, and they can afford to hire the very best advisers. However, that doesn't mean they follow the right advice.

Some of them have made major errors when it comes to estate planning, with heartbreaking results for their families. As we review three examples, remember that you have the opportunity to learn from their mistakes.

The Artist Formerly Known as Prince

When music legend Prince died at the age of 57, he left no will. In fact, he had no estate planning documents at all. Given his age, he probably thought he had lots of time to deal with that type of issue in the future. But that was not the case.

Because he didn't have a will or trust, the Minnesota laws of intestate succession determined who would receive his assets. First in line were his siblings and half-siblings. However, other potential heirs contested this finding, so his estate was tied up in court for years. While the attorneys and bankers were well provided for during this time, his heirs had to wait.

It may be impossible to know whom he intended to receive his assets, but surely he did not intend for so much of his estate to go to the financial and legal professionals who were fighting over it. In the end, the expenses and estate tax liability reduced the value of his estate by nearly half.

You can easily avoid that outcome. Prevent waste, confusion, and conflict by preparing an estate plan and reviewing it periodically to ensure it accomplishes what you want it to.

Heath Ledger

Movie actor Heath Ledger planned ahead but failed to make critical updates to his documents. He executed a will when he was only 24, which shows foresight unusual for someone of that age. Unfortunately, he did not update his will after the birth of his daughter. His will assigned all of his assets to his parents and siblings, with nothing left for his young daughter. She was two years old when he passed away.

His daughter was fortunate that his family members recognized what Heath would have wanted, and they voluntarily handed over assets to her. But inheritance issues frequently lead to unexpected conflicts rather than cooperation. It is far better to heed this warning and update your estate planning documents as aspects of your life change.

Michael Jackson

Unlike many celebrities, Michael Jackson took many of the right steps to establish a solid estate plan. He had his attorney create a revocable living trust that would enable his assets to pass directly to his beneficiaries without being tied up in probate.

However, he failed to take the next critical step. He never formally transferred property into the trust. Because of that, his property became part of his estate subject to the lengthy and expensive probate process. You can avoid that mistake by ensuring that you retitle real estate in the name of your trust and take other steps as advised to fund your trust.

Work with The Nordhaus Firm to Avoid the Mistakes of the Rich and Famous

We can’t guarantee that you will ever become rich or famous if you follow the advice of your estate planning attorney at the Nordhaus Firm. However, we can guarantee that we will work hard to help you keep as much of your wealth as possible during your lifetime and for the future of your loved ones.

To get started, contact us today.