

Power of attorney documents can serve as a valuable part of your estate plan helping to protect your interests in situations where you are not easily able to manage certain business and personal affairs. To understand how they operate and how you can use them to your advantage, it is helpful to look at the different types of powers of attorney available under Texas law.

Understanding the Various Powers of Attorney

A power of attorney document gives someone authority to act on someone else's behalf. You can limit the power however you want. You could give someone power of attorney to sign a single document one time, or you can give someone authority to access all of your bank accounts for the rest of your life. As long as you remain legally competent, you can cancel a power of attorney, or you can change it.

The person you choose to act for you is called your agent. They don't need to have any legal training, but they should be capable of understanding the power they hold, and they should be someone you can count on to act responsibly in your best interests.

Medical Power of Attorney

A medical power of attorney allows someone to make health care decisions for you if you become incapacitated. This power only takes effect if you are unable to make or communicate your own decisions.

Although no one expects to need this type of document, an accident or illness can strike at any time. Having a medical power of attorney enables a loved one to

authorize treatment for you and explain to doctors the type of care you would want in a particular situation.

Statutory Power of Attorney

The power often referred to in Texas as a statutory power of attorney authorizes the agent to manage financial affairs. The document creating the power of attorney can set limits on the time or scope of authority.

You might want to create a statutory power of attorney if your eyesight is failing and you want to authorize a family member or friend to help manage your affairs. Or you could set up the power so that it allows your agent to pay your bills if you are hospitalized with a condition that renders you unconscious.

A power of attorney is referred to as durable if it is designed to remain in effect when the person who granted the authority is incapacitated. Texas law presumes a power of attorney to be durable unless you specify otherwise.

Springing Power of Attorney

A financial power of attorney usually takes effect the moment you execute the document. However, if you want to reserve the power and only allow someone to exercise power over your affairs if you become incapacitated or some other event occurs, you can set up a springing power of attorney. This authority only springs into action if and when the triggering event occurs.

Protect Your Interests with the Right Powers of Attorney

Power of attorney documents must be drafted carefully. Certain mistakes could cause them to be invalid. Other mistakes could enable your agent to exercise more power than you intended.

At The Nordhaus Firm, we can use a variety of powers of attorney to protect your interests and help ensure your wishes are honored. Schedule a consultation to learn how we can help you with the right power of attorney for your situation.