

Is Your Estate Planning Up To Date?

Take this simple test to see!

1. **Have you prepared a will or a trust?** Without proactive planning, you are relying on the Arkansas legislature to determine how your assets pass, to whom they pass, and when they pass. In addition to having potentially undesired results, this is perhaps the most costly and time consuming means of passing your assets to your loved ones.

Don't Know No Yes

2. **Do you have minor children?** Have you named a guardian for your children should something happen to you and/or your spouse? Under Arkansas law if you have not established a guardian for your children, then the court will make this decision for you.

Don't Know No Yes

3. **Is this your first marriage?** Second or subsequent marriages present unique planning issues, particularly if both spouses have children from a prior marriage. Proper planning is critical to prevent undesired results.

Don't Know No Yes

4. **Are all of your heirs over the age of 21 and financially responsible?** Under Arkansas law, children inherit property no later than age 21 without restriction. Proper planning is crucial to prevent an heir from squandering his or her inheritance, or worse, from causing harm to himself or herself.

Don't Know No Yes

5. **Are you absolutely certain that your assets will not be subject to probate?** We encourage you to make a list of each asset you own and identify how each asset is going to

avoid probate. Probates can be costly and typically require twelve (12) to eighteen (18) months from the date of death to conclude.

Don't Know No Yes

6. **Do you have assets titled jointly with a child or children, or someone else?** Holding assets jointly with someone other than a spouse is quite common, but has some potentially devastating consequences of which most people are unaware. The Arkansas Supreme Court says that a creditor of a joint tenant can take the entire asset to satisfy the creditor's claim. A creditor would include a divorcing spouse, judgment creditor, or business creditor. Additionally, problems can be created if joint tenants die in the wrong order.

Don't Know No Yes

7. **Does your current plan provide your heirs with asset protection, divorce protection, and lawsuit protection?** The most common means of providing for heirs is with outright distributions. By doing so, however, the inheritance becomes subject to the creditors of your heirs.

Don't Know No Yes

8. **Do you have a durable power of attorney and healthcare power of attorney?** These documents are essential to have in case you become incapacitated, and it is necessary for your spouse or your designated agent to make decisions on your behalf. In the event you don't have these documents in place it may be necessary to go through the hassle and costly process of having the courts appoint someone to serve on your behalf.

Don't Know No Yes

9. **If you have done a will or trust, has it been reviewed in the last two years?** Even assuming that there have been no family or financial changes since your plan was last reviewed, there have been major tax law changes in 1997, 2001 and now 2010. An out-of-date estate plan is perhaps worse than no estate plan at all. Our experience is that people view estate planning as an event rather than a process. Keeping your plan current is vital to achieving the goals you set out to accomplish.

Don't Know No Yes

If you've answered "No" or "Don't Know" to any one of these questions (or "Yes" to No. 6), you need to contact our offices to schedule a time to meet and discuss your responses, the consequences of not taking action, and potential solutions to these and other issues. We hope to hear from you and look forward to serving you.

Disclaimer

Please note that the above information is not intended to serve as legal advice. Further, contacting us and sending information to us via our website does not create an attorney-client relationship. Please do not send any confidential information to us until such time as an attorney-client relationship has been established with our law firm. Should you desire to discuss your case with one of our attorneys, please contact us.