

ESTATE & ASSET PROTECTION INSIDER

October 2019



E-LETTER

315 W PONCE DE LEON AVE., DECATUR,
GA 30030
(470) 235-7868



Trick or Treat: It's Scary Out There!

When people ask me, “Why do I need a trust?”, I am going to tell them the story of how I spent four hours on a Friday night.

The day started off like usual. A planned meeting at a bank to add assets to a trust. Time was of the essence to open the trust account and retitle assets to it. About a MILLION dollars of estate taxes were at stake, not to mention trying to avoid probate.

Earlier in the week the power of attorney agent had taken the power of document to the bank to put on record and be recognized as the agent. Like all banks, they had to “send it to legal” which is somewhere “out there” off-site and a department filled with people you can’t speak with directly.

The good thing is that when we returned to the bank on Friday, the power of attorney was “in the system.” But, we learned that it was not applied to one of the accounts – for no reason that could be explained by bank personnel. This one oversight caused a huge problem with the transactions we were trying to do Friday night. And, the power of attorney had to be submitted to “legal” again. Unfortunately, “legal” keeps banker’s hours and even though we were at the bank until after 8:00 p.m., legal wasn’t. Thus, the task did not get done.

The nightmare did not stop at this bank. There were funds being held at one of the large-named, well-known financial investment firms. Again, the power of attorney was “sent to legal”. Again, time was of the essence. Unfortunately, the client passed away days later before legal approved.

The three sweet lessons I wish every client would take from this proverbial pumpkin bowl:

- 1 Having assets titled in the name of a trust with back-up trustees will ensure a smoother transition when the back-up needs to begin helping (rather than relying on the acceptance of a financial power of attorney). The trust and the assets will already be on-file with the bank and the only “new” form to present at the time the back-up takes over is a Certificate of Trustee and verification that the primary trustee can no longer act.
- 2 Updating estate planning documents to change with the laws and your own personal situation is critical to avoid “time is of the essence” situations. We have all heard of deathbed transactions. In most situations, that can and should be avoided so loved ones can just spend their time with their loved ones instead of running around town with lawyers and bankers.

- 3 The Estate & Asset Protection Law Firm will GO TO THE BANK WITH YOU to get things done and not just draft your documents and send you on your way to go it alone.

If you have had life changes (marriage, divorce, move, children, retirement or death in the family) or it has been over three years since you completed your estate plan, call us to review your situation. Everything may still be just right, but it may not. We won't SPOOK you; just provide our honest opinions. Don't let "time is of the essence" sneak up on you!!



October 21-27 is National Estate Planning Awareness week!

This is a time for everyone, not just the wealthy, to examine their estate planning needs and documents.

Estate Planning is the process whereby a person creates legal documents that outline the disposition of personal and real property upon death. The most common legal tools used are the Last Will and Testament and a Living Trust. The documents that are necessary depend on your specific situation.

Estate planning is particularly important for people who have minor children, older adults who have a spouse with disabilities or an adult child with special needs, or nontraditional families or couples.

We offer a free 15 minute telephone assessment to help evaluate your estate planning needs.

Call us at **470-235-7868**.

Nice Guys Give *Bad* Advice

I hear it all the time, "I've been with my financial advisor for years – even decades. He is so nice." Nice does not equal qualified. Working for a large wheel-house investment firm doesn't either.

The other thing I hear all the time, "Just spend down your savings account until you reach \$75,000 (plug in whatever number), and then we'll start taking from your IRA." To quote Julia Roberts in *Pretty Woman*,
"BIG MISTAKE! HUGE!"

As a small example, but with a huge impact, I have a client who is 66 years old and disabled. He has been disabled for a number of years. Social Security is his only form of income.

He had over \$500,000 in savings and over \$1,000,000 in a retirement fund held with a big-named financial firm. The advisor gave the same advice as above. Now my client has \$35,000 in his savings and is worried about how to pay for his living expenses and

long-term care for the rest of his life. He was also told that once he started pulling from his IRA that the money would be taxable (which is generally true).

As a Certified Elder Care Attorney who focuses exclusively on Asset Protection – my insides are SCREAMING with fright at what I just heard. So much lost opportunity – which means lost MONEY – for my client and just wrong advice.

What wasn't shared by the financial advisor or any tax accountant was that my client could withdraw up to approximately \$13,500 (\$27,000 if married) from his IRA tax free each year. By doing so, he could have transferred that money into his savings account which would have made it last longer before having to take taxable distributions from the IRA. As it is now, the savings are nearly depleted and taking the \$13,500 out each year is not nearly enough to meet annual expenses. Thus, more will need to be pulled and the majority of it will be taxed.

It is sad that neither the financial planner nor the accountant shared that information. And, it makes you wonder why. Do they not know? Do they not care? Or, does the financial planner just not want to lose assets under management which would decrease his own annual income?

I don't know the answers to the above questions. What I do know is that many, many clients get bad advice from nice guys. If your advisors are just holding your money and bragging about beating the stock market without telling you how to minimize taxes by strategically making withdrawals from your IRA, then it may be time to change to an advisor that is both nice and qualified that has a fiduciary duty to you and acts only in your best interest.

That is the benefit of using a Certified Elder Law Attorney that also owns a financial services firm (Victoria Collier is co-owner with Dr. Sabrina Scott of Red Feather Financial). We can make sure your assets are not just being managed, but also being protected.

Call today to find out if you are just being managed!
470-235-7868

Come see us in the community!

Saturday
October 19, 2019
10am

Join us at the **New Macedonia Baptist Church** to learn about the best ways to Protect Your Loved Ones with appropriate Asset Protection and Estate Planning.

7725 GA-85
Riverdale, GA 30274

Wednesday
October 23, 2019
11am

Stop by our table at the Senior Health Fair and get to know some of our team members and potentially win a prize!

650 Phipps Blvd, NE
Atlanta, GA 30326



Has Fall Arrived?

The weather is back and forth between summer heat and a teasing of cooler days. But, you know it is fall in Oakhurst when Porchfest booms from house to house. I love my artsy neighborhood right in the heart of Decatur. Attached is a picture of my son's best friend playing the Spanish Waltz on his guitar. This is the 5th year of Porchfest and it gets bigger and better every year. The true meaning of community.

Although we serve the greater Atlanta area with Estate Planning and Asset Protection, we focus heavily on professionals with children and business owners that live in our own community -- Decatur. Oakhurst is full of families like mine – professionals, business owners, minor children, and parents that are still living and aging. We would love to get to know you better. Call to see how we can protect you, your family and your business.

Annual Halloween Tips

1. When the porch light is off – they don't want to give you candy; don't approach the door even if the lights are on inside.
2. Keep animals inside, especially black cats. Not only can people harm them, but if they eat chocolate that falls on the ground it can be life threatening.
3. If you must drive through neighborhoods, drive slowly even if it is not dark as the little bitty ones start trick or treating early.
4. Take lots of pictures and enjoy the high energy that only kids can share.

Looking for more great information?

Our Senior Salute Podcast, hosted by Victoria L. Collier, is available 24/7 wherever you listen to podcasts or by clicking the link below.

Our next live episode, discussing Lifetime Mentorship and how it relates to estate planning will premier on Oct. 23, 2019.

[Listen Here](#)

If you enjoyed reading this E-Letter then we've got great news ... We have many more just like it! Subscribe to our Newsletter and read our earlier editions to stay informed and entertained!

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Halloween Haiku by Victoria L. Collier
Jack-o-lanterns shine
Costumes squealing trick-or-treat
Mmm candy so sweet

Victoria L. Collier
Victoria L. Collier, CELA*
The Estate & Asset Protection Law Firm
*Certified Elder Law Attorney

