

Review and revise your estate plan to reflect life changes during the past year

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Your estate plan shouldn't be a static document. It needs to change as your life changes. Year end is the perfect time to check whether any life events have taken place in the past 12 months or so that affect your estate plan.

Your plan should be reviewed periodically anyway to ensure that it still meets your main objectives and is up to date.

When revisions might be needed

What life events might require you to update or modify estate planning documents? The following list isn't all-inclusive, but it can give you a good idea of when revisions may be needed:

- Your marriage, divorce or remarriage;
- The birth or adoption of a child, grandchild or great-grandchild;
- The death of a spouse or another family member;
- The illness or disability of you, your spouse or another family member;
- A child or grandchild reaching the age of majority;
- Sizable changes in the value of assets you own;
- The sale or purchase of a principal residence or second home;
- Your retirement or retirement of your spouse;
- Receipt of a large gift or inheritance; and
- Sizable changes in the value of assets you own.

In addition, it's important to review your estate plan when there've been changes in federal or state income tax or estate tax laws, such as under the Tax Cuts and Jobs Act, which was enacted last December.

Will and powers of attorney

As part of your estate plan review, closely examine your will, powers of attorney and advance health care directives.

If you have minor children, your will should designate a guardian to care for them should you die prematurely, as well as make certain other provisions, such as creating trusts to benefit your children until they reach the age of majority, or perhaps even longer.

Your durable power of attorney authorizes someone to handle your financial affairs if you're disabled or otherwise unable to act. Likewise, an advance health care directive (also known as a medical durable power of attorney, health care proxy or living will) authorizes someone to handle your medical decision making if you're disabled or unable to act, and spells out your wishes concerning life-sustaining measures in the event of a terminal illness. It says what means should be used, withheld or withdrawn. Your durable power of attorney for financial affairs and advance health care directive terminate upon your death.

Changes in your family or your personal circumstances might cause you to want to change beneficiaries, guardians or power of attorney agents you've previously named.

Revise as needed

The end of the year is a natural time to reflect on the past year and to review and revise your estate plan — especially if you've experienced major life changes. We can help determine if any revisions are needed.

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