

The "Daily Plan-It"™

ESTATE & BUSINESS LAW GROUP, P.C.

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How to Maximize Family Privacy in Estate Planning for Your Clients

In this day and age of internet search engines, privacy is at a premium. The lack of privacy is further compounded by the general policy of having court proceedings in public. Our clients' families may be full of secrets that can turn into scandals.

It would be difficult to impossible to find a client whose family history didn't include sibling rivalries, substance abuse, or any form of indiscretion that could be embarrassing. Most of our clients own investments such as privately held businesses or real estate that shouldn't be looked at by a competitor or scam artist seeking to fabricate a bogus claim.

As advisors, our clients depend on our discretion when these issues affect financial and legal matters. We endeavor to keep their confidences and give them a degree of trust. *Then why would we ever risk betraying their trust by allowing their personal family affairs to be exposed through probate?*

Probate court is public. Each pleading and filing in a probate case is a matter of public record that anyone can read.

A Private Family Trust

Creating a Revocable Living Trust (RLT) keeps your client's assets, instructions and disbursements out of the public's scrutinizing eye.

The Trust is a private legal document. It's between your client as both the Trustmaker and Trustee, so it doesn't have to be filed with a court unless your client's beneficiaries and Successor Trustee don't agree on disbursements, or someone challenges the Trust's validity.

As an advisor, you're in a unique position to show clients how an RLT prevents an estate from going into probate court, protects heirs from creditors, and keeps the family's private information from becoming public reading material.

Avoid Michael Jackson's Mistake!

Once your client has established an RLT, if their main goal is to protect their privacy, it's vitally important that the trust is funded to avoid a risk of a

probate proceeding. It's too bad that so many dead celebrities didn't have a savvy advisor to warn them about the dangers of not securing their personal information with an RLT. Pop icon Michael Jackson created an RLT, but he failed to properly fund it (*re-titled assets so that the Trust is named as the owner*), resulting in his estate landing in probate court. Someone even leaked a copy of the Trust to the press.

Peace of Mind for Your Client

There is no substitution for the peace of mind your client gains from knowing that his decisions regarding his last wishes will remain confidential among those involved in administering his Trust after death. Unless you know that your client is perfectly OK with publicly airing his total worth and his private wishes, then the RLT should be your recommendation.

As always, I hope this article has helped you and your clients. If you have a specific case or concern, please contact our office.

Workshop Schedule

The Truth about Estate Planning

Usually Tuesday nights, 7:00 pm
(Please call for current dates)



IRA Preservation Planning

Learn how to properly protect your IRAs and what the IRA Preservation Trust can do!
(Please call for current dates)

On February 8, 2006, President Bush signed into law the Deficit Reduction Act of 2005 (DRA 2005), which included the most sweeping changes to [Medicaid](#) laws ever enacted.

Medicaid Planning Workshop

The new Medicaid laws and some of the planning options that are still available, even in light of these sweeping changes.

Usually Tuesday nights, 7:00 pm
(Please call for current dates)

Registration: Contact Mary Lang at (847) 367-4460
<http://eblawgroup.com>

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We invite you also to direct your clients to
http://eblawgroup.com/FAQ_medicaid.htm
for more information on Medicaid Planning.