Insight on Estate Planning - October/November 2016

Oct 03, 2016

Here's a brief glance at what you'll find in the October/November issue...

Gift giving made easy

Annual exclusion reduces your taxable estate

How can a person reduce the size of his or her taxable estate? There are many ways to accomplish this objective, including the use of irrevocable trusts and other sophisticated estate planning techniques. But one of the most effective methods is also the simplest: leveraging the $14,000 per person annual gift tax exclusion. This article explains the strategy and a sidebar details the benefits of year-end gift giving using the annual exclusion.

Should your powers of attorney be springing or nonspringing?

A power of attorney (POA) is an important component of an estate plan because it provides details for making critical financial and medical decisions if a person becomes incapacitated. This article defines a POA and explains the difference between a springing and nonspringing POA.

Arrange your RMDs before year end

Per IRS rules, people must begin taking required minimum distributions (RMDs) from their retirement plans and IRAs beginning April 1 of the year after the year in which they turn age 70½. And they must continue taking RMDs year in and year out without fail. This article answers the questions of when to begin taking RMDs, the penalties for not taking them and why it's best not to wait until year end to take them.

Estate Planning Pitfall

You haven't addressed pets in your estate plan

Pet owners in all 50 states can now make provisions for their animals through a trust. This "pet trust" allows owners to set aside funds for the animal's care. After the pet dies, any remaining funds are distributed among one's heirs as directed by the trust's terms. This brief article explains how the trust works.

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