

Overcoming Common Roadblocks to Estate Planning

Part One of a Two-Part Series

By Michael B. Knisely

Many people offer reasons why they haven't gone through a thoughtful process of estate planning. Some of these might sound like these:

- "I don't have an 'estate' – there's not enough money for me to need a will or a trust."
- "I'm too busy."
- "I'm perfectly healthy right now, so there's plenty of time to plan later."
- "Everything will automatically pass to my spouse anyway."
- "My husband and I can't agree on who we would trust to manage our assets or take care of our children."
- "There are too many difficult decisions to make; I'll do it later."

If any of these rationalizations sound familiar, you are not alone. Studies suggest that somewhere around 50 percent of Americans have no estate plan. These two articles address some of the common roadblocks to estate planning and why and how those roadblocks should and can be overcome. By naming and identifying the nature of problems, sometimes we can have a better sense of how they can be avoided.

Roadblock Number One – The emotional aspects of estate planning / facing mortality

Planning for what is going to happen when you die or when you are no longer to make your own decisions requires purposeful thinking about concepts most of us are uncomfortable with. The emotional aspects of the estate planning process are real, but dispelling some misconceptions

helps clarify that the true nature of the issues involved are not as morbid as we might think.

Sound estate plans do much more than just help us prepare for death: they address current issues, such as lifetime gifts, charitable giving, educational funding and minimizing the cost of the care for a disabled family member. Estate planning also provides a sense of peace and security for you and your loved ones – which is a benefit many people fail to consider.

Without an estate plan, all aspects of the administration of a person's estate, from guardianship of that person's children to distribution of that person's assets, will be decided by default rules created by the Texas Legislature. That might be enough of an incentive in and of itself to plan: why allow inefficient and unnecessarily complex procedures to compound an emotional loss with a financial one?

One approach to dealing with the anxiety-ridden and emotional aspects of estate planning is by taking it one step at a time. Begin by finding some basic literature about estate planning. Ask friends and colleagues how they have approached estate planning. Talking and learning about estate planning casually, without the pressure of a deadline, can help relieve anxiety and establish a comfort level with the subject matter. When you feel more at ease about estate planning as a concept, schedule a meeting with a reputable estate planning attorney. Most experienced estate planning attorneys have seen pretty much everything under the sun, and are well-equipped to help you deal with the emotional aspects of getting a plan in place.

Roadblock Number Two – Procrastination

A common reason for putting off making important arrangements is the fear of making the wrong decision. People often delay completing their estate planning because (once they muster up the courage to address the difficult issues involved) they cannot agree on how to answer the big questions, such as who should serve as guardian for their children or be responsible for financial decisions in the event of incapacity. What some people may not understand is that, once executed, wills, powers of attorney, and other estate planning documents are easily changed without incurring substantially more legal fees. More importantly, the goal in estate planning is not perfection. The goal is planning well for

your future and that of your loved ones. If the fear of making a wrong decision is interfering with your planning, try doing an informal cost-benefit analysis. You will probably find the risk of being without a plan far outweighs the risk of having a less-than-perfect plan.

Instead of putting off the whole process because of disagreement over one or two components, think about the benefits of completing the majority of your planning, knowing it can later be "tweaked." In a very real sense, an estate plan that is not done at all is one hundred percent wrong.

In the next article: Dealing with expense and lack of knowledge

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One generation will commend your works to another... Psalm 145:4