

Taking A New Look At Estate Planning Law and Taxes

An infomercial has been running endlessly on TV for many months, usually in the wee hours of the morning. A no-fuss oven is being sold, and the pitchman exhorts us over and over again to "Set it—and forget it!"

Well, that's definitely NOT how it works with estate planning. Yes, estate planning is usually a significant investment, and not just in dollars. It is an emotional investment, requiring you to examine your priorities and make serious decisions that will resonate in the lives of those you leave behind. Given this emotional backdrop, it's easy to understand why someone would want to walk out of the lawyer's office with his documents in hand, and *set it and forget it*.

It's an appealing idea when you're cooking, but unfortunately, it doesn't apply to estate planning, where countless changes, in your family and out there in the wider world of law and taxes, can affect the effectiveness of your plan over time.

Let's take taxes and law first. Back in the 1990s, the estate tax exemption was \$600,000. As a result, many couples were advised to include a credit

shelter trust in their estate plan. This allowed both spouses to make full use of each tax exemption and allowed the maximum amount of tax-free money to be passed to heirs. The credit shelter was absolutely the prudent approach for most couples—at that time.

Well, as Bob Dylan said, "*the times they are a changin.*" In 2006, the estate tax exemption will increase to \$2 million per person. That means your estate may no longer meet the criteria for being taxable. If it's not, that credit shelter trust no longer accomplishes anything. In fact, it will be a burden to the surviving spouse, because the provisions of your trust require that it be established. Going forward, that credit shelter will require a second set of bookkeeping, tax returns, tax ID numbers, etc. If this describes your situation, it's time for you to revisit your estate plan.

Another change we've heard much about in the past few years is the Health Insurance Portability and Ac-

countability Act of 1996 (HIPAA). If your documents pre-date this statute, they do not include the specific language that allows your trustees to access your medical information. This is important because in order to handle your business affairs if you be-

come incapacitated, your agent is probably going to have to provide proof of your incapacity to your financial institutions. A similar situation will arise with your medical care surrogate. Without the HIPAA waiver, your doctors are not legally bound to share information with your surrogate.

Florida law on living wills has also changed since the 1990s. Living wills dating back to this time lack the language indicating life is to be terminated if you are in a "persistent vegetative state," as in Teri Schiavo's case.

Your family structure and financial circumstances may have changed, too. Due to the real estate boom, many of us are sitting on real estate worth

more than we ever dreamed possible. You should also periodically monitor whether the person you've appointed to certain responsibilities is still up to the job. I often come across situations where a person has named a spouse as his medical decision maker, but failed to update documents even long after that spouse has become too infirm to handle the responsibility.

So if your strategy has been *set it and forget it*, the approach of 2006 is a good time to reconsider. If it's been some time since you put your estate plan in place, chances are it deserves a fresh look. See a certified estate planning/elder law attorney to make sure your plan continues to protect you and your family.

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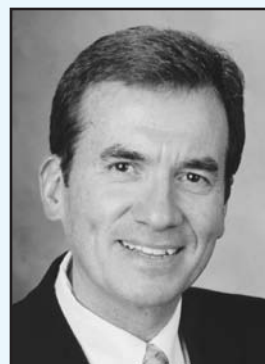
"To so many people, goal setting means that only someday, after they've achieved something great, will they be able to enjoy life. There's a huge difference between achieving to be happy and happily achieving. Instead of measuring your life's value by your progress toward a single goal, remember that the direction you're headed in is more important than temporary results."

— Anthony Robbins

What Are The Traits of A Good Travel Professional?

Whether you are new to the area or even if you have lived here for several years, there comes a time when you are going to need a travel professional to assist you with your special travel needs.

Picking a travel professional should not be taken lightly because his/her experience and hard work can save you a tremendous amount of time and money when you book with a travel



Jim Sweat, CTC

professional. Remember, you pick a medical or financial professional to help you...the same should be true when you select your travel professional. Here are some of the things that you should keep in mind when you need a good travel professional to get you on your way:

⊙ A good travel professional will align themselves with a travel agency that is financially secure and has an excellent reputation.

⊙ A good travel professional will interview you and find out what your needs are and what you like to do not only while you are on holiday but what you like to do in your leisure life...your hobbies and other interests.

⊙ A good travel professional will recommend the tour or cruise package that will fit your needs and expectations while giving you the best value for your holiday investments.

⊙ A good travel professional will make suggestions that will make your holiday a great and memorable experience.

⊙ A good travel professional will value your business and advise you of all the liabilities that you will be up against should you have to cancel your holiday for any reason...further, this person will advise you about any travel insurance and documentation you need for your trip.

Jim Sweat, CTC, is Managing Director, Travel Agency Services of AAA Auto Club South, Tampa, FL.

AAA Travel, Auto Club South, with more than 3.7 million members in Florida, Georgia and Tennessee is the largest travel agency in the Southeast United States and is one of the top ten leisure travel agencies in the nation. AAA is the largest membership travel organization in the world with 47 million members in the United States and Canada.

Protecting Your Identity—Online And Offline

A little knowledge can be a dangerous thing, particularly if it's shared by strangers. Last year alone, almost 10 million Americans became victims of identity fraud. The major threat now comes from online sources, but the traditional offline method of theft continues.

According to U.S. Postal Inspectors, identity fraud occurs when thieves open new accounts in other people's names and rack up debts on their existing account, using consumers' Social Security numbers, bank account information, addresses or phone numbers. Identify fraud victims may spend years—and large sums of money—restoring their credit histories and good names. Here are some tips to minimize your risk:

❖ Don't give out personal informa-

tion on the phone, through the mail or over the Internet unless you've initiated the contact or know who you're dealing with.

❖ **Guard your mail.** Don't leave it in your mailbox overnight or on weekends, and deposit outgoing mail in a Postal Service collection box or give it to your letter carrier.

❖ **Tear or shred unwanted documents** that contain personal information before discarding.

❖ **Order your credit report** annually and check it for errors.

❖ **Be careful responding to emails** that ask for confirmation of your account information or password.

If you do become a victim, report it to the police and obtain an ID Theft Affidavit at www.consumer.gov/idtheft

— NAPS

November is National Hospice Month

We,

the employees of Hospice of Palm Beach County,

celebrate the diversity of our community,

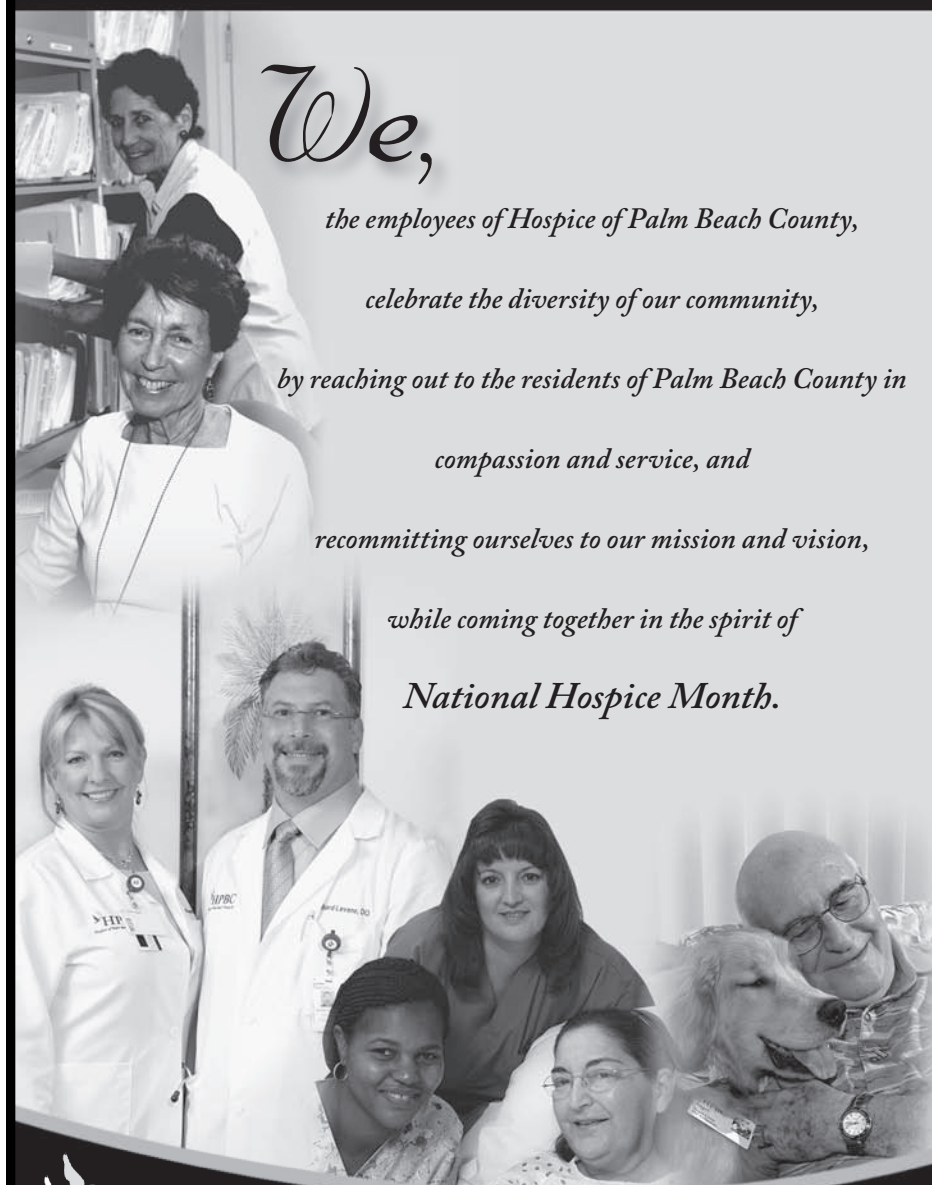
by reaching out to the residents of Palm Beach County in

compassion and service, and

recommitting ourselves to our mission and vision,

while coming together in the spirit of

National Hospice Month.



HPBC
Hospice of Palm Beach County
Maintaining the Dignity of Life

888.848.5200 www.hpbc.com

JCAHO Accredited 501(C)(3) Not-for-Profit Organization
Jewish Accreditation by the Palm Beach County Board of Rabbis