

Which kind of estate planning is best for me and my family?

We offer two types of estate plans: Will based and Trust based. Below provides general guidance on each type of plan but consultation with an attorney is always necessary to determine which is best for you and your circumstances.

Will Based Planning

A Will is a traditional approach to estate planning. A Will operates only at death and provides for disposition of assets and appointment of fiduciaries and guardians for minor children. Upon passing, surviving family members will need to file the Will with the Probate Court and proceed with a number of steps to gain access to assets. Costs of implementation can be high.

PROS FOR WILL BASED PLANNING

- ▶ Lower up front costs
- ▶ Simple, quick, easy to understand
- ▶ Provide for certainty – avoids having the law decide who gets your assets and manages your affairs

CONS FOR WILL BASED PLANNING

- ▶ Does not maintain privacy – subject to multiple court filings
- ▶ Does not help protect assets for heirs (no creditor or divorce protection)
- ▶ Could lose “bloodline” protection
- ▶ Higher after death administration (probate) costs
- ▶ Does not provide clear direction for lifetime disability planning
- ▶ Often does not work at time of crisis before death – cannot find documents, not updated, etc.

Trust Based Planning

Trusts allow for a process to control assets while alive and direct where they go after death, dictate when and how those assets are given and can be protected from claims with more advanced trusts. Tax sensitive trusts are established when an estate may exceed \$1 million (including life insurance). For Protective Trust Planning, there are more decisions to be made thus requiring more counseling. Protective Trust planning also provides for lifetime disability planning.

PROS FOR TRUST BASED PLANNING

- ▶ Maintains privacy
- ▶ Can help protect assets for heirs (creditor and divorce protections)
- ▶ Can help with “bloodline protection”
- ▶ Lower ultimate estate costs if properly funded (avoid probate)
- ▶ Can provide for disability planning during lifetime
- ▶ Tax planning

CONS FOR TRUST BASED PLANNING

- ▶ More expensive up front costs
- ▶ Requires more participation from the client and financial advisor
- ▶ Requires regular updates and maintenance in order to deliver intended results

Contact us to set up a time to discuss your individual estate planning needs:

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