



The JMD Guide to

LASTING PEACE OF MIND

INFORMATIONAL BOOKLET BY THE J.M. DICKERSON LAW FIRM





The JM Dickerson
Law Firm

Wills, Trusts, Business & Real Estate

Introduction

ARE YOU ASKING THE RIGHT QUESTIONS?

What would happen if you died or became incapacitated today? What would your family do to survive? Will your family know what your wishes are regarding life support? Are you looking at the bigger picture?

When meeting with an estate planning specialist, you want them to take a comprehensive approach to helping you meet your estate planning goals. That means they should review your circumstances beyond your need for a simple will or trust. Sure, you will discuss end of life instructions. Most attorneys can help you with basic estate planning tools like wills, but you deserve a specialist who can consider all of your life circumstances. They should be able to help you design your estate plan to provide for efficient transfer of assets to your beneficiaries while benefitting from minimum estate tax exposure with the goal of preserving your estate to pass down to you kids. The health of your generational wealth, that is wealth that can be passed down from generation to generation, is at stake. You need a specialist that considers a much larger picture. When we sit down together, we will discuss your comprehensive life goals, including:

- ✓ *Strategies for reducing your taxes now and making sure your heirs and beneficiaries aren't burdened with taxes when you die.*
- ✓ *Guardianship and legal instruments that allow you to make decisions on your behalf if you have elderly or incapacitated loved ones in your family, reducing their burden.*
- ✓ *Ways to make sure your business will remain under ownership and operational control of your family.*

You may not have all of the questions, let alone answers right now, to help you design your estate plan; but you know you are ready to get started. This guide is meant to prepare you to be in control of the health of your generational wealth. After reading, you will be more confident in some of the most important decisions of your life. In this booklet, I will shed light on legal solutions to help you protect everything you have worked so hard to build for you and your family and business. So, let's get started!

WHY ESTATE PLANNING?

Regardless of the size of your bank & investment accounts, everyone has an estate. Your estate is comprised of everything you own – your car, home, other real estate, investment and checking accounts, life insurance, furniture and other personal possessions. In a nut shell, estate planning is naming whom you want to receive your assets after you die and identifying someone to be responsible for distributing your assets according to your wishes.

Additionally, an estate plan can convey your preferences if you become incapacitated and cannot make decisions for yourself. Before anything happens to you, you want to outline your wishes for life-prolonging medical care and controlling how your possessions are given to the people or organizations that are important to you.

While everyone needs an estate plan, creating one - and keeping it current - should be an especially high priority if you:

- ✓ Want to be proactive about healthcare decisions in the event of your incapacitation
- ✓ Want to ensure your assets and property are distributed according to your wishes.
- ✓ Recently experienced a significant life event, such as a marriage or divorce, birth or adoption, retirement or death of a family member.
- ✓ Have minor children or other dependence who are disabled or have special needs.
- ✓ Want to minimize estate taxes or protect your family from creditors and lawsuits associated with your estate.

While this workbook will not create your estate plan, it will help you understand the estate – planning process, gather important information, start thinking about key decisions you’ll need to make and prepare for conversations with your estate planning specialist who can help draft your plan.

When you complete this exercise, you will have answered the following questions:

- ✓ Who is going to make financial decisions for me if I cannot make them for myself?
- ✓ Who is going to make healthcare decisions for me if I cannot make them for myself?
- ✓ How will my assets be distributed when I die?
- ✓ Who will distribute my assets when I die?
- ✓ Who will care for my children when I die?

FIVE KEY PLANNING DOCUMENTS

There are five key documents that can help you answer important questions about healthcare decisions, distributing your assets and who you would like to represent your interest when you cannot. Consider preparing the following documents.

1) Your Will

Your will transfers your assets to your beneficiaries after your death and specifies who will be responsible for any minor children. A “pour over” will transfers your assets to your trust, if applicable. It is called a pour over will because it pours your assets into your trust at your death to streamline and consolidate your plan. A pour over will name an executor and legal guardians for minor children.

Minor Children

If you have minor children, you can use your will to designate a guardian who will be responsible for making personal decisions with respect to your children, such as where the children will live, where he or she will attend school, and any medical decisions.

Note: If it is in the best interest of the child/children, you can choose a different person to care for them than the person you select to manage their money.

COMMON EXECUTOR OPTIONS

- Surviving spouse
- Adult child
- A trusted friend

Your executor or personal representative will be responsible for collecting your assets, filing all probate documents and submitting your final income tax return. You may choose a trusted individual, a corporate Fiduciary or a combination of the two. Serving as an executor can be an overwhelming task, so if you decide to select an individual, consider naming an alternate in case the original appointee is unable to for fill his or her duties.

CHOOSING A GUARDIAN

Consider the candidates age and health, personal and financial situation and number and ages of their children. Also think about the ages of your children and the faith's, philosophies and attitudes of everyone involved.

List the people of organizations you would consider an executor of your will:

Name	Phone	Address
1)	() -	
2)	() -	
3)	() -	

FIVE KEY PLANNING DOCUMENTS

2) Revocable Trust

A revocable trust allows your trustee to manage your assets for your benefit, if you become incapacitated, and specifies how your assets should be passed on. It can also help your beneficiaries avoid the administrative burden, public record, potential delays and lack of privacy associated with the probate process. A properly structured trust may help reduce your estate and gift taxes, and possibly offer your beneficiaries greater protection of your assets from creditors and lawsuits. It involves three parties: you, the grantor; the beneficiaries you name to receive your assets; and the trustee or board of trustees you agree to manage your assets as directed by the terms of the trust.

A trustee is the person or trust company who works with your executor to collect all your assets, pay your debts, file your tax returns, and distribute the remainder of your estate according to your trust. When selecting trustees, consider their ability to invest and manage finances as well as if their sensitivity to the distribution decisions you direct under the terms of your trust. You may choose a trusted individual, a corporation or a combination of the two. If you decide to select an individual, consider naming an alternate in case the original appointee is unable to for fill his or her duties.

Insert the names of the person or persons or organization you would like to serve as your trustee:

	Name & Phone	Address
Sole Trustee	() -	
Co-Trustee #1	() -	
Co-Trustee #2	() -	

After your representatives gather your assets, pay your debts and resolve tax issues, they are tasked with distributing the remainder of your estate to the beneficiaries you select. You have a number of options, including making special gifts to individuals or charities. Your gifts can be given directly or through a trust. When you bequeath assets through a trust you will need to provide guidelines for the distributions. You may decide to designate a specific dollar amount or percentage distributed at regular intervals, specified ages or certain life events (e.g., college graduation, marriage, etc.). You can also choose to give your trustee discretion to distribute funds for the beneficiary's specific needs, such as health, education & emergencies.

Types of Trusts

- **Trusts that are funded during your lifetime.**
- **Trusts established at the death of the first spouse for the benefit of the family in general.**
- **Marital trusts established at the death of the first spouse for the sole benefit of the surviving spouse.**
- **Trusts established at the death of the second spouse for benefit of children and grandchildren.**

FIVE KEY PLANNING DOCUMENTS

It's helpful to make a list of people or charitable organizations that you would like to name as beneficiaries. Think about whether you want to gift a dollar amount or a percentage of your estate.

NAME or ORGANIZATION	RELATIONSHIP/CONNECTION	PHONE NUMBER	\$ or % AMOUNT
1)			
2)			
3)			

TIPS ON BENEFICIARIES

Name primary and contingent beneficiaries for all of your accounts in case your primary beneficiary passes before you have an opportunity to update your documents. Contingent beneficiaries may include distant family members, friends or charitable organizations.

3) Living Will

A living will is a legal document that establishes your wishes for life-prolonging medical care, should you become incapacitated. Without one, your health care providers and family will not have legally binding information about your desire for medical treatment, in the event you are unable to speak for yourself. Once this document is in place you will want to ensure it is easily accessible and that your family knows not only that you've created it but also how to find it. Consider giving a copy to anyone who may need to refer to it – such as your doctor before surgery – and keeping a copy for yourself in a safe-deposit box or home safe.

4) Health Care Power Of Attorney

A health-care power of attorney empowers your designee to make decisions regarding your healthcare and medical treatment. A health-care power of attorney only takes affect when you are unable to make decisions or communicate your intentions regarding treatment. If your situation turns around and you decide to revoke your health care power of attorney, you may do so.

Insert the names of people you would consider making health care decisions on your behalf:

Name & Phone	Address
1) () -	
2) () -	
3) () -	

FIVE KEY PLANNING DOCUMENTS

5) Durable Power Of Attorney

A durable power of attorney grants another person the legal authority to act on your behalf in a general or limited capacity. A general durable power of attorney gives the person you choose, also known as the agent, the power to manage your assets and financial affairs while you are alive. The appointment maybe for a set period of time and can be revoked by you at any time, providing you still have the legal capacity to do so.

A limited durable power of attorney, on the other hand, allows you to give only specific powers to the agent, such as selling property, investing assets or making healthcare decisions. It can be used to allow your agent to handle specific matters when you are unavailable or unable to do so. When selecting an agent, you may want to consider his or her ability to invest and to manage finances. Also consider an alternate in the event your designee is unable to serve.

List the people or organizations you would consider naming as your agent.

Name & Phone		Address
1)	() -	
2)	() -	
3)	() -	

TIPS ON AGENTS

Your agent does not have to be the same person you designate to make medical decisions on your behalf.

Many people find their estate is larger than they originally thought when they add up the market value of their assets. You may find that your estate is even larger if your spouse dies first, and you need to account for his or her assets as well. Gather recent account statements and take an inventory of your assets. It is also helpful to make note of the location where you stored relevant account paperwork (e.g., your safe deposit box, filing cabinet or online directory) for future reference. The J.M. Dickerson Law Firm clients can contact their financial advisor for helping securing up to date market value. On the next page you can begin the process.

ASSETS	MARKET VALUE	LOCATION OF DOCUMENTS
Cash & Liquid Assets		
Checking accounts	\$	
Savings accounts	\$	
CDs. Money market accounts	\$	
Investments		
Employer retirement benefits	\$	
IRAs & non-employer retirement accounts	\$	
Other stocks, bonds, mutual funds, options, pensions, etc.	\$	
Health savings account	\$	
Real Estate		
Personal residence	\$	
Vacation home / time share	\$	
Oil, Gas & Mineral Interests	\$	
Other real estate (e.g., investment property)	\$	

ASSETS	MARKET VALUE	LOCATION OF DOCUMENTS
Personal belongings		
Automobiles & recreational vehicles	\$	
Jewelry, furs	\$	
Collectibles (e.g., art, sports memorabilia, etc.)	\$	
Furniture	\$	
Other assets		
Business or partnership interests	\$	
Life Insurance policies	\$	
Mortgages & other debts owed to you	\$	
Other	\$	
TOTAL		

DON'T FORGET

Include less commonly considered assets in the value of your state, which can be anything from season tickets to intellectual property. Consider all items of value when calculating your estate.

YOUR FAMILY TREE

*Create your family tree in the chart below to help your estate planner fill in the details of your plan.
These should be your children and/or grandchildren.*

#1		
Name:	Relationship:	Date of birth:
Spouse, if married:	Phone & Address:	
#2		
Name:	Relationship:	Date of birth:
Spouse, if married:	Phone & Address:	
#3		
Name:	Relationship:	Date of birth:
Spouse, if married:	Phone & Address:	
#4		
Name:	Relationship:	Date of birth:
Spouse, if married:	Phone & Address:	
#5		
Name:	Relationship:	Date of birth:
Spouse, if married:	Phone & Address:	
#6		
Name:	Relationship:	Date of birth:
Spouse, if married:	Phone & Address:	
#7		
Name:	Relationship:	Date of birth:
Spouse, if married:	Phone & Address:	
#8		
Name:	Relationship:	Date of birth:
Spouse, if married:	Phone & Address:	

CHECK YOUR ESTATE PLAN

After you've completed this workbook & met with a board-certified estate planner, you may use the checklist below to ensure your plan addresses all key factors.



MY ESTATE PLAN:

	Includes an up-to-date will.
	Names a guardian for my minor children.
	Names an executor (or personal representative) & trustee whom I am confident will carry out my wishes.
	Takes into consideration any special needs family members, where applicable.
	Includes provisions for long-term health care for me & my spouse &/or other dependents, should the need arise.
	Takes advantage of the benefits of lifetime gifts.
	Includes charitable gifts.
	Provides investment assistance for family members who may need help managing their inheritances.
	Minimizes taxes.
	Provides for a smooth & tax-advantaged transfer of my business interests at my retirement or death, or if I become disabled.
	Establishes limits for spendthrift beneficiaries.

If you can't check off each of the statement above, you may have a gap in your estate plan.

YOUR CONTACT INFORMATION

Client name: _____

Home address: _____
Address City County State Zip

Phone: _____ Cell: _____ Fax: _____

Email: _____ Date of Birth: _____

YOUR EMPLOYMENT OR BUSINESS INFORMATION

Employer or Business: _____

Business Address: _____
Address City County State Zip

Phone: _____ Cell: _____ Fax: _____

Email: _____ Worked/Owned Business since: ____/____/____

YOUR CITIZENSHIP & SPOUSAL INFORMATION

I have lived in Texas ____ years. I am a US Citizen. Yes No I am Single Married Widow Divorced

Date of Marriage ____/____/____

My Spouse and I are both making our Estate Plans together.

Married before

Spouse Name: _____

Email: _____ Date of Birth: _____

Employer or Business: _____

Business Address: _____

Address

City

County

State

Zip

Phone: _____ Cell: _____ Fax: _____

Worked/Owned Business since: ____/____/____

I have lived in Texas for ____ years.

I am a US Citizen.

Married before

Yes No



DOCUMENT CHECK LIST:

Please bring these to our next appointment if you have them

	Balance Sheet
	Current Wills
	Trusts
	Power's of Attorney
	Directives to Physicians
	Marital Property Agreement
	Partnership Agreements
	Corporation of LLC
	Insurance Policies
	Divorce Decrees
	Gift Tax Returns (ALL)
	Buy Sell Agreements
	Signature Cards (Bank & Brokerage)



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Joseph Michael Dickerson, Board Certified Attorney at Law

WHY YOUR LAWYER MAKES A DIFFERENCE

Will the lawyer you hire really make a difference when handling your estate planning, real estate or business transaction needs?

If all you are looking for is a quick signature on the bottom of a document, probably not. But if you need to make sure handling your legal documents or dispute today will help you eliminate problems in years to come, there is no question, the right attorney can make a difference.

Many people only think of hiring a lawyer when something needs to be fixed. I see things differently. I am attorney Joseph Michael Dickerson. Colleagues tell me I'm a different kind of lawyer. I like building things, rather breaking things apart. I have always focused my career on helping people prevent problems now, so they don't have to fix them later.

This booklet is provided as an educational service by The J.M. Dickerson Law Firm & Joseph Michael Dickerson, Board Certified Estate Planning and Probate Attorney by the Texas Board of Legal Specialization. For answers to questions about estate planning, probate, asset protection, and business entity formation, you are invited to contact our team at The J.M. Dickerson Law Firm. In New Braunfels & Central Texas call (830) 302-4577. In Laredo, call (956) 791-5422. In the Rio Grande Valley call (956) 267-5112. Also, check our our website at www.dickersonlaw.com and subscribe to our free monthly print newsletter, Dickerson Digest, by scanning the QR code here:

