

# Building the “Perfect” Estate Plan

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Have you ever listened to someone exclaim that they had the “perfect” vacation experience? They then proceed to give you a day-by-day summary and the deeper they get into recounting the events the more you realize that while this is the description of their “perfect” vacation, it cannot be farther from your concept of a “perfect” vacation. Similar to vacations or any other opinion geared topics, there is no singular ideal estate plan toward which every individual or family should be striving. Rather the important objective is creating an estate plan that is perfect for you and your family. The perfection of the estate plan will be determined by whether the plan is tailored to your particular family’s situation.

Below are examples illustrating that estate plans come in many shapes and sizes with different areas of concern and meet different goals and that no single plan can perform as the perfect specimen for every individual/family:

- For instance, if you or your spouse is a veteran, your plan may be resoundingly different from your neighbor’s plan that does not have to consider veteran status.
- Or, maybe your family has to make considerations for a disabled child who relies on government benefits. These families require very specific documents and language to accommodate these situations. If these facts are not considered, the disabled child’s public benefits could be in jeopardy.
- Perhaps you have heard a neighbor or colleague state that his/her family “only use a Last Will and Testament” for their estate plan and that it is “all that is needed.” But what if your asset structure is notably different from that person? What if your assets are heavily weighted in qualified retirement accounts, and that person’s is not? Using an estate plan that consists only of reciprocal Last Wills and Testaments does very little, if anything, to address the unique qualities of your tax deferred accounts.
- Or, maybe an acquaintance does not wish to use trust planning to protect their assets from long term care exposure, and instead prefers to use Long Term Care Policies. That may be right for your acquaintance’s family, but your family may not have the financial capability and/or preference to pay costly premiums for Long Term Care policies to help insure assets from a lengthy and costly stay in a nursing facility.
- Families may also require different estate plans that consider different tax planning advantages. For example, one family may need to consider capital gains taxes and preserving step-ups in tax basis relating to their appreciated assets while another may only be concerned with PA inheritance tax liabilities. A “one size fits all” approach to estate planning may not encompass all of these complex tax variables.

- An individual's or a family's current stage in life may also be a significant consideration when creating a well-tailored estate plan. As we learned in my Newsletter article from May 2017, an estate plan is like a water heater and may need to be changed as one ages and the plan may become less effective to handling present needs. A young couple with toddler aged children will potentially have a strikingly different estate plan from a retired couple in their mid-to-late seventies, as the needs of these couples are very different from each other.

As the above examples demonstrate, estate plans come in all shapes and sizes. However, there certainly can be similarities and shared concepts between estate plans. For example, a "perfect" estate plan should have contingencies built into the documents. Nobody, including your elder law attorney, has a crystal ball to predict the future and therefore contingencies like successor agents, trustees or personal representatives or contingent beneficiaries should be considered so that your estate plan can remain effective as life changes in expected or unexpected fashions.

These are just a few examples and considerations that I as an elder law attorney consider when crafting a family's estate plan. A "one size fits all" approach to estate planning is inappropriate in almost all instances. Therefore, proclamations by individuals who are not knowledgeable as to your individual situation, giving advice as to why an estate plan is the best strategy, should be taken with a very large grain of salt. Your perfectly tailored estate plan is largely determined by your family's situation. To determine which plan is best for you and to bring said plan to reality, contact your elder law attorney.