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The Hargrove Firm Counselor

Updates from Hargrove Firm & NetLaw

Engage with Hargrove Firm & NetLaw on LinkedIn Let's Spread the Word about Online Estate Planning

If you are a member of LinkedIn, please remember to interact with [Hargrove Firm](#) and [NetLaw](#). Every like, comment, and repost presents a valuable opportunity to boost awareness of online estate planning to potential referrers, particularly financial advisors. Engaging with us on LinkedIn is also a great way to stay up-to-date with the latest news from both companies, including thought-provoking industry insights, events and more. "Follow" us and together we will spread the good word about online estate planning and its benefits to clients!



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Emily Armstrong
Legal Assistant

Introducing: Emily Armstrong

A Warm Welcome to Hargrove Firm's New Legal Assistant

Emily Armstrong recently joined Hargrove Firm as a Legal Assistant. Emily's primary role is to assist throughout the entire estate planning process. She welcomes new clients, offers assistance with navigating the portal, and answers any technical questions along the way. Additionally, Emily supports Hargrove Firm Paralegal Mandy Mills with administrative tasks such as keeping records, sharing invitations for client meetings, and following up with clients. Her goal is to ensure that every party involved in our online estate planning services is adequately prepared for each meeting and has a positive experience as they work with Hargrove Firm. Welcome, Emily!

Irrevocable Trust Planning for the Everyday Estate Planning Client

Join Us for NetLaw's Spring CLE

save
the
date!

We hope you'll join us for NetLaw's second complimentary Continuing Legal Education (CLE) webinar on **Tuesday, May 2nd**. "Irrevocable Trust Planning for the Everyday Estate Planning Client" will feature insights from Jessica Konrad, Attorney at Buechner Haffer Meyers & Koenig Co., LPA, in Cincinnati and Erica Ellis, Advanced Planning Attorney at Hargrove Firm. Topics will include an introduction to the various types of irrevocable trusts; how to draft these trusts for everyday clients to ensure flexibility, among other benefits; legacy and charitable planning through Domestic Asset Protection Trusts and charitable trusts; and use of certain trust roles to create additional protection and flexibility within irrevocable trusts. Be on the lookout for additional details in your inbox and on LinkedIn soon!

Why Most Estate Plans Needn't Be Complicated

By: Erica Ellis, Hargrove Firm Advanced Planning Attorney



Erica P. Ellis

Advanced Planning Attorney

Most estate planning clients want to protect their legacy but are apprehensive about the complexity of planning that may be required. The majority of clients articulate that their primary goal is to create a simple estate plan that will take care of their loved ones. As most attorneys know, creating a "simple" estate plan can be more challenging than it seems. Estate plans can easily become complex, usually driven by factors such as estate taxes, blended families, and beneficiaries with disabilities or special needs. However, with the federal gift and estate tax exemption currently allowing \$12.92 million per person or \$25.84 million per married couple to be transferred free of estate tax, most clients do not need to worry about estate taxes. It is possible to keep estate planning simple and straightforward.

Here are four ways to help keep the planning process straightforward for your clients:

1. Educate the client

Estate planning can be an overwhelming process. Many clients do not understand the legal terms and language included in their plan. As an attorney, it is your role to help clients understand the basics of their plan, what documents are included, and the overall structure. Educating clients on the nuts and bolts of a trust and the various roles included, such as Settlor, Trustee, and Beneficiary, can help them better understand the process and make informed decisions. For example, you can start by explaining that the plan includes a revocable trust that can be amended over the client's lifetime. Similarly, you can explain the trigger that would make the trust become irrevocable. Help the client understand that planning for now is the only way to plan, as we cannot predict the future. Remind the client that they should update their plan as necessary when they encounter life changes.

The SmartGuide™ Interview provided also helps to educate the client by offering explanations throughout the process. Similarly, Hargrove Firm has not included open-ended questions in the SmartGuide™ Interview. Instead, the interview intentionally allows the client to choose from a number of options. This process helps to point clients in the right direction and, most importantly, to prepare them for their meeting with you.

2. Explain the use of trust-based plans

Hargrove Firm uses only trust-based estate plans for all our clients. At first glance, trust-based plans can appear to be more complex than a simple will. When executed properly, however, a trust can save clients and their families from an extensive and costly probate administration process and ensure that the distribution of assets is handled privately.

3. Build in flexibility

Hargrove Firm believes that incorporating flexibility into the estate plan can help limit confusion, unnecessary complexity, and court involvement. For example, we encourage the appointment of Successor Trustees and Agents in the event of a death in the family and including Advisory Committees in the trust to address matters when the trust becomes irrevocable before the court is needed.

Similarly, if we include a lifetime protection trust for the client, we usually recommend allowing the Beneficiary to serve as their own Trustee by the age of 35 to allow for less management costs and oversight. Lastly, in choosing a Trustee, the client should understand the importance of deferring to a Trustee's discretion and how overly restricting the Trustee with specific guidelines can often lead to issues for the beneficiaries.

4. Provide funding assistance

Funding the trust can be a confusing process for clients. When providing guidance in this area, it can help to explain how assets end up in probate and what measures can prevent that from happening. Probate assets are any assets in your individual name that do not pass via a beneficiary designation, transfer on death designation, or right of survivorship. Once the asset is in the trust, it will avoid probate. Funding does require manually retitling assets in the name of the trust. Clients should further understand that transfers to the revocable living trust are not taxable events and the assets in the trust are still deemed the client's assets for tax purposes; therefore, the client maintains complete control. If a client has a large retirement account, it is important to address that account to be sure we understand their wishes. Most often the client will not identify the trust as a beneficiary of a retirement account and instead continue to include individual beneficiaries. Be sure to understand the client's goals relating to the retirement account. If the client wishes for the account to be made part of the trust assets at his or her death, we must make sure to include appropriate conduit provisions in the revocable living trust or advise the client to create a separate IRA Trust to accomplish those goals. Offering funding instructions, partnering with the client's financial team, and discussing the transfer of assets to the trust can help clients understand the process better and ensure that their assets are transferred according to their wishes.

Estate planning can feel like a complex process for clients, but with the right guidance, it is possible to keep it simple and straightforward. As an attorney, it is your responsibility to educate clients, recommend a sound legal route to accomplish clients' goals, and incorporate flexibility into their estate plans. By following these recommendations, you can help your clients achieve peace of mind that their legacies will be protected and their loved ones will be taken care of.

