

A Will may not be enough ...



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Most people's Estate Plans just don't work!

When you meet with a lawyer to discuss your Will, you have some expectations. A little picture in your mind about what you want to have happen? After we die, we want to feel that the plan we put together works for the loved ones that we've left behind.

That's where most Estate Plans fail. There are surprises. Things don't go the way people thought they would. With most of us that picture of what is exactly supposed to happen is quite fuzzy anyway.

An Ordinary Will may not be enough for those who feel responsible for getting their affairs in order should something happen to them --- as the right way to provide for themselves and to guarantee the future of their loved ones.

A Will that includes Testamentary Trusts may be required to adequately provide control of your assets, allowing you to give to whom you want, when you want to, to minimize taxes, costs, family fights and ensure quick, less costly, problem-free Estate Settlement.

1. Testamentary Trusts in Your Will

Save 50% to 100% in Taxes by including in your Will several tax-saving inspired income-splitting Testamentary Trusts for your spouse (capital & non-capital assets, insurance) and children. For example, if your spouse (or child) inherits \$500,000.00 invested at 4%, the \$20,000.00 earned is added to that person's income and almost half of it is paid to the TaxMan --- every year.

If, however, your Will enhanced with Testamentary Trusts 'sprinkles' this \$20,000.00 to your two minor grandchildren and this will save taxes of almost \$10,000.00 --- every year.

Testamentary Trusts also reduce Probate, Legal and Estate Settlement Costs, discord and Family Law Claims.

2. Estate Settlement Efficiency

To ensure that your Estate Settlement will be simple, less costly and hassle-free, get your affairs in order in case something unexpected happens --- including naming the right Executors and Attorneys in your "Signing" and "Health Care" Powers of Attorney and making a Letter of Wishes.

Testamentary Trusts Wills usually use family member executors and often get probated within two months, greatly reducing the complexity of your executor's job.

3. Second Marrieds, Cohabitees, Widows, Widowers and Singles

To protect assets owned by individuals from second marrieds, cohabitees, widows, widowers and singles consider including Testamentary Trusts Wills, Powerful Powers of Attorney and a Will-Maintaining Agreement.

Working with a lawyer and financial advisor who focus on estate planning, thousands of dollars otherwise paid as taxes and costs under an Ordinary Will can be saved for the benefit of your surviving spouse, children, grandchildren and other loved ones.

You may also make gifts to your favourite charities within your Will. This can result in a tax saving of almost half of the amount of the gift. If your Will donates certain assets, the tax saving can be even greater.

In conclusion, the Peace of Mind that you receive from organizing your affairs, making a Will including several Testamentary Trusts and having family meetings

--- similar to funeral pre-planning --- can go a long way to ensure that your Estate Plans come to fruition.

(insert call to action)

Patrick Murphy has practiced law for over 40 years in Ottawa. His practice has focused on the needs of seniors for the last 15 years.

Murphy is Ottawa's first Certified Senior Advisor, and is a member of The Council on Aging and counsel on its Elder Abuse Consultation Team.

He has presented his trade-marked, tax saving inspired process using Testamentary Trusts to Accountants, Financial Advisors, Charities and the Canadian Academy of Senior Advisors.