



**GILSOUL  
& ASSOCIATES**

This Essential Guide Reveals....

# TOP 10 ESTATE PLANNING MISTAKES

**And What You Need To  
Know To Avoid Them**

\*Exclusive report provided by  
Gilsoul & Associates\*

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**Remember: If you don't have a plan, the court will make one for you!**

# ***TOP TEN ESTATE PLANNING MISTAKES AND HOW TO AVOID THEM***

## **1. Ignore estate planning altogether.**

- a. You may ignore your estate plan, but the State of Louisiana has not. If you die without a will (intestate), Louisiana has taken a guess at how you would like your estate to devolve. Likely it's not exactly what you would like. By the way, this is not forced heirship, because you are not forced to die without a will.
- b. What could go wrong? Say for example that you have separate property, perhaps your home that you inherited. If you die without a will, your children inherit it and they can force your spouse out.
- c. Louisiana's laws of intestacy also offer no asset protection. If one of your heirs is bankrupt when you die, or has a large judgment against them, their creditors will get your heir's share of your estate. That's a depressing thought.

## **2. Rely on the wrong people for advice.**

No, your neighbor does not understand the complexities of estate planning or the rules about Medicaid. Neither does an attorney who does not specialize. Want a simple will? It may be a simple blunder. Estate planning even for the working class can be complex. But with proper planning, your loved ones can be protected from creditors, divorce, nursing home costs, etc.

## **3. Write your own will using an on-line provider of legal forms.**

The forms may be valid, and probably are, but they are only part of the plan and are seldom sufficient. And you don't know all the traps for the unwary that a specialized estate attorney will discuss with you.

#### **4. Don't plan for the possibility of needing nursing home care.**

For a couple, the chances are about 75% that one or the other will spend time in a nursing home. Without planning, you may go broke paying the nursing home. With planning, you can set assets aside to give you a better level of care and even leave something for your children.

#### **5. Put a child's name on your bank account without understanding the consequences.**

For example, did you know that if your child has debt problems their creditors can seize your account if the child is listed as a co-owner? Also, that Medicaid will count the account as yours if you apply for help with nursing home costs?

#### **6. Presume your estate is too small for more than a basic will.**

Most folks of almost any wealth level will benefit from leaving assets to their heirs in trust, or planning for Medicaid, or taking other asset protection steps. Don't let financial planners or accountants tell you that your estate isn't worth it. Your legacy for your family is yours, and it is supremely important to you and yours.

#### **7. Wait until the last minute.**

Regardless of age, you need a plan in place now. After all, do you know when your last minute will be? Especially as you reach old age and begin to decline, planning in advance will be much more effective instead of doing crisis planning just before you or your spouse enters a nursing home.

## **8. Ignore beneficiary designations for your life insurance and IRAs or other retirement plans.**

For example, if you name your sister as the beneficiary of your life insurance with the idea that she will do what's right for your children or other heirs, how do you know she will? Or what if she is facing nursing home care herself when you die and will be penalized for giving the insurance proceeds to your children. Or what if she dies before she finishes transferring the money?

If you name your spouse as beneficiary, that may just make it more difficult to qualify for Medicaid, whereas naming a trust in your will as beneficiary will protect the funds without disadvantaging your spouse in the least.

## **9. Don't plan for your incapacity.**

What if you have a serious stroke, or suffer a brain injury in a car wreck? Who will handle your affairs? If you have good financial and medical powers of attorney, it's simple. The person you named as your agent takes over for you. If you don't, then you are facing an interdiction, which means a loved one will have to file a law suit asking the judge to declare you incompetent and appoint your loved one as curator ("guardian" in other states). Then the curator needs to go back to court for approval for most decisions affecting you. This procedure is expensive, time consuming, and very intrusive into family affairs.

## **10. Fail to realize that the present will one day be your history, that everything will change.**

We all think we are who we are today. It's not natural to really comprehend that our future may include incapacity, feebleness, or prolonged illness. It's also hard to realize that your perfectly healthy and above average children today may have a future of disability or premature death. Proper planning can allow important decisions to be put off for when the future becomes the present and all the facts are known. For example, with the proper use of a trust in your will, decisions about when and how much to allow a child can be put off until the time comes.



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For professional, experienced advice or to  
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