



OC Wills & Trust Attorneys

Estate Planning

Living Trusts and Beyond



Law Offices *Of* Brian Chew
ESTATE PLANNING

How do you and your loved ones benefit from using OC Wills and Trust Attorneys to create your custom estate plan?

Prompt and Attentive Service

- **Customer Service:** We endeavor to return phone calls and emails within one business day.
- **Efficiency:** Most estate plans can be completed within two to four business days of initial consultations and executing a fee agreement.
- **No Surprise Fees:** During your no obligation consultation and based on the information provided to us, you will be provided a flat fee quote for most estate planning engagements.

Comprehensive Estate Planning

- **Contingency Planning :** While you may be starting out with a simple estate planning situation, our documents are designed to anticipate the many unknowns that life may throw at you.
- **Asset Protection for your Heirs:** Our planning focuses not only on who will receive your assets but, maybe more importantly, how they will receive them and thereby creating asset protection for your estate.
- **Tax Impact:** Your engagement will also include education on the impact your estate planning decisions will have on you and your heir's income, capital gains, estate and property taxes.

Beyond your Trust

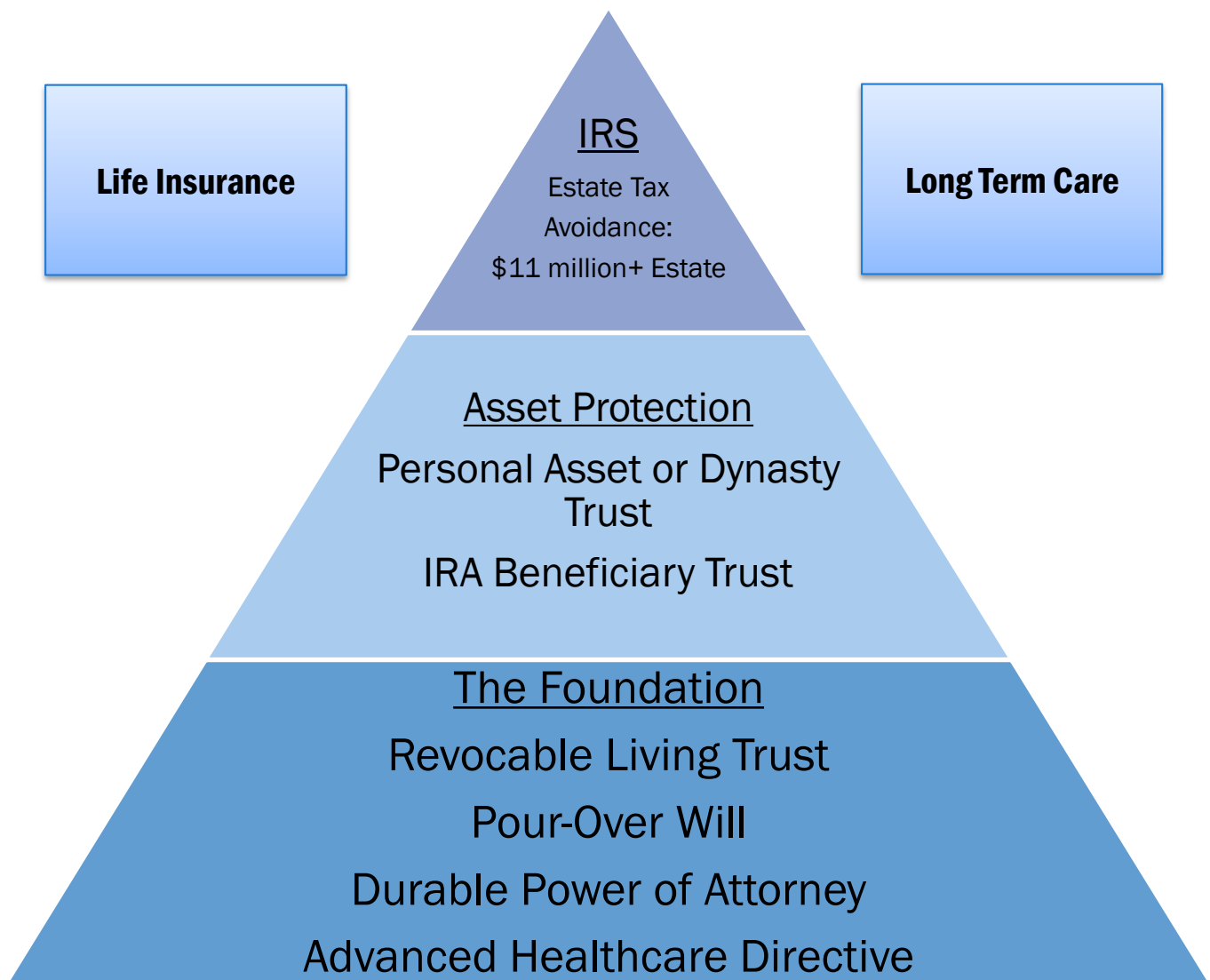
- **Long Term Care Planning:** Discuss with our firm what options you and your loved ones have with regards to qualifying for Medi-Cal and VA Aid and Attendance Pension Benefits.
- **Avoiding the Medi-Cal Estate Recovery Lien:** We can assist you in evaluating whether or not your loved ones estate may be subject to the Medi-Cal Estate Recovery Lien and if so how to avoid the lien.
- **Long Term Care, Retirement and Income Protection Planning:** We can provide you personalized referrals of qualified professionals to assist you with these critical planning tasks.

When hiring an estate planning attorney, you want to know that they are doing more than just taking your information but rather that they are providing you an education on estate planning from which you can make informed decisions.

Estate Planning: An Overview

Estate Planning is about you choosing who will be in charge of you, your family and your assets if you can't be.

The Estate Planning Pyramid



Estate Planning: The Foundation

The core documents that protect you, your family and your assets if you pass on or become incapacitated

Revocable Living Trust

- Helps avoid the high costs and delays of probate.
- Appoints a successor trustee who will be in charge of your estate.
- Allows you to control how and when your heirs will receive your assets.
- Can provide lifetime asset protection for your heirs.
- Can protect your heirs against creditors, substance abuse issues and staying qualified for government benefits.

Pour-Over Will

- Nominates a back-up guardian for your minor children.
- Ensures overlooked assets will be distributed through your Trust.

Durable Power of Attorney

- Appoints an agent who can act on your behalf for legal and financial matters if you are incapacitated.
- Avoids need for a court appointed conservatorship of your estate.
- A comprehensive power of attorney will allow your agents to reallocate your assets in order to facilitate long term care planning.

Advance Healthcare Directive

- Appoints agent who will make healthcare decisions for you if you are incapacitated.
- Avoids need for a court appointed conservatorship of your person.
- Includes your Living Will which dictates the decisions your agent should make, if you are unconscious, on life support and your doctor has indicated that there is nothing else they can do for you.

Failure to have a comprehensive estate plan, can cost your family tens of thousands of dollars in otherwise unnecessary legal fees.

Lifetime Asset Protection for Your Children

Personal Asset or Dynasty Trust

Provides lifetime asset protection to your children for your estate

- A Personal Asset or Dynasty Trust is a provision in your Revocable Living Trust.
- Your children's inheritance is protected from creditors, judgments, divorces.
- You can decide the level of control you would like to give your children over their share of your estate.
 - Your children as Trustee can have complete control over their share of the assets or;
 - You can use a third party Trustee to manage assets until your children reach a certain age or for their lifetime.
- You can make it more likely that your estate will pass on to your grandchildren rather than your children's spouses.
- Because your children don't "own" their inheritance, it is not subject to estate taxes when they pass on.
- Your children can "borrow" money from their dynasty trust and thereby reduce the exposure of the trust assets to creditors

If your existing Living Trust provides for an outright distribution to your children, their inheritance can be attached by creditors, spouses and judgments

IRA Beneficiary Trust

A separate dynasty trust for your IRA, 401k, and other pension plans

- IRA Beneficiary Trust is a Revocable Living Trust that you can designate as the beneficiary for your retirement accounts
- The Trust can provide lifetime asset protection for your retirement funds
- Allows maximum "Stretch-out" of the tax deferred growth of your IRA assets based on the actual age of the beneficiary and not the age of the oldest beneficiary
- If you name your children as a beneficiary of your retirement funds, they will have little asset protection for those funds
- If you name your Living Trust as a beneficiary of your retirement funds, they will likely need to take all of the funds out of the IRA within five years and the opportunity for long term tax deferred growth will be lost
- By having an IRA in an asset protected trust, your children have an incentive to keep the funds invested rather than just spending it
- As a revocable living trust, you can change the terms of the IRA Beneficiary Trust at anytime

When combined with a Personal Asset or Dynasty Trust for your non-retirement assets, your children and grandchildren can have lifetime asset protection for your entire estate

Estate Planning: Avoiding the Estate Tax

For Estates worth over \$11+ million dollars, the top estate tax rate is 40%. The funding of certain irrevocable trusts can reduce your estate tax liability

Irrevocable Life Insurance Trust (ILIT)

- Placing life insurance policies within this trust will remove the proceeds from these policies from your taxable estate
- Proceeds from your life insurance can be used to pay the estate tax

Qualified Personal Residence Trust (QPRT)

- Future gifting of your home to your children result in lower gift tax reporting amounts in the present
- Freezes the value of your home at the time of transfer and thus future growth in value happens outside of your estate
- Trustor retains the right to live in the property

Grantor Annuity Trust (GRAT)

- Freezes the value of your appreciating assets (i.e. stocks) as future growth will happen outside of your estate
- Allows you to control the assets while you are alive
- Can be designed to result in no use of your gift tax exemption

Charitable Trusts (CRT, CLAT, CRUT)

- Gifting of asset through the trust to qualified charities will remove asset from your taxable estate
- Trustor can retain lifetime income from the gifted asset
- Trustor can receive a charitable tax deduction for the gift
- Avoids capital gains tax for gifted assets
- Tax savings can be used to purchase life insurance

Custom Estate Planning Packages

Custom Estate Plan Features	Standard	Standard with Dynasty	Standard with IRA & Dynasty Trust
Revocable Living Trust (Outright or age based distribution to heirs and same distributions for both spouses)	✓	✓	✓
Pour-over Will (Includes backup guardian nomination)	✓	✓	✓
Marital Property Agreement to help insure 100% stepped up basis upon first spouse's passing	✓	✓	✓
Trust Funding of personal property, assignments of business interests (ie Corporations and LLC's)	✓	✓	✓
Enhanced Durable Power of Attorney (includes language for Long Term Care planning)	✓	✓	✓
Advance Health Care Directive (includes living will and HIPAA authorization)	✓	✓	✓
Notarization and witnessing of your documents	✓	✓	✓
Complimentary discussions regarding your estate planning documents	✓	✓	✓
Digital copy of your documents that you can forward to your backup trustee and/or agents	✓	✓	✓
Personal Asset or Dynasty Trust provision to provide lifetime asset protection for your heirs		✓	✓
Provision for "Trust Protector" for increased flexibility for your heirs when your Trust becomes irrevocable		✓	✓
IRA Beneficiary Trust to provide continued tax deferral and lifetime asset protection for your heirs			✓

*During your free consultation with an attorney, we will review your estate planning needs and provide you with a flat fee quote
All estate planning packages are subject to change*



Brian L. Chew, Principal Attorney

- JD, USC Gould School of Law 1992
- BS, USC Marshall School of Business 1988
- Member, California State Bar (#160768) 1992
- Member, Orange County Bar Association
- Broker, California Department of Real Estate
- Accredited Attorney, Veterans Administration

OC Wills and Trust Attorneys

- Estate Planning
- Asset Protection Planning
- Estate Tax Planning
- VA: Aid and Attendance Pension
- Medi-Cal Planning

For more information or to schedule a no obligation consultation please contact us at

Phone: 949.288.3598

Email: brian@mycaliforniaestate.com

Website: www.mycaliforniaestate.com