

## **ESTATE PLANNING IN NEVADA: ISSUES, CONSIDERATIONS AND BENEFITS**

When some people think of estate planning, they often think of the very wealthy legally wrangling over millions allegedly owed to family members who appear out of nowhere once someone dies. But more and more the average person is realizing the benefits of establishing an estate plan early in his or her lifetime.

Estate planning does not mean you are planning your death, but you are planning for the future of your children and grandchildren. With a solid plan, you can save them lots of anguish, stress and money after you are gone.

### **Benefits of Estate Plans**

There are many benefits to setting up an estate plan:

- Avoidance of probate
- Reduction or elimination of estate and gift tax liabilities
- Protection and retention of assets
- Ensuring the care of minor children
- Ensuring that your specific wishes are carried out

Your estate plan is not something that only affects events and issues after your death, a plan can benefit you during your lifetime too. An estate plan can help you solidify financial planning for your future. Using such tools as living trusts, insurance and lifetime gifts, you can set yourself up for retirement, payment of your heirs' college and the transfer of a family-owned business.

### **Estate Plan Considerations**

In addition to the basics of an estate plan - generally including wills, trusts, advance directives and powers of attorney - there are other considerations that are important to think about and be aware of now:

- Tax changes for 2022: (1) \$12,060,000 federal estate tax exemption and a 40% top federal estate tax rate; (2) \$12,060,000 GST tax exemption and a 40% top federal GST tax rate; (3) Lifetime gift tax exemption is \$12,060,000 and a 40% top federal gift tax rate; and (4) The annual gift tax exclusion amount increases to \$16,000.
- Guardianships: who will care for minor children or heirs not able to care for themselves
- Insurance: life and disability insurance policies can be invaluable for unforeseen circumstances
- Special Needs Trust: provide for a child with disabilities or specific needs with a special needs trust

- Business Succession: decide now how to transfer family-business assets to younger family members and who will take on managerial roles

Although estate planning can be overwhelming and confusing, there is too much at stake to delay setting up a plan that benefits yourself and your family. If you need an estate plan, or have one that you wish to have updated or reviewed, seek the advice of an experienced estate planning attorney who is knowledgeable about tax, financial, probate and guardianship issues.