

Power of Attorney

A power of attorney is a document by which you appoint another person to act as your agent. An agent is one who has authorization to act for another person. It is a “durable” power of attorney if it is effective even if you become incapacitated.

Through a durable power of attorney, an agent may continue to act on your behalf even after an incapacitating illness or accident. If the power of attorney so provides, the agent can use your funds to pay your bills, contract for nursing home services for your benefit, and perform other helpful functions.

You may revoke your durable power of attorney at any time, and it is automatically revoked at your death.

Advance Healthcare Directives

A competent patient always has the right to refuse treatment or direct that treatment be discontinued. Without an advance healthcare directive, once a patient becomes incapacitated, he or she may well lose that right.

Your healthcare directive describes how you wish to be treated under specific circumstances and provides helpful instruction and guidance for your physician, care-givers and others. A properly written and signed healthcare directive ensures: 1) you receive only the treatment you desire; 2) you take the decision-making burden off of family and friends; and 3) you may be avoiding litigation.

After you sign your healthcare directive be certain it is accessible. Keep a copy close at hand. Deliver a copy to your physician and make sure that close family know you have a healthcare directive.

Your estate plan is truly a gift of love and an expression of faith.

To learn more about the topics in this brochure or to find a lawyer in your area, contact the **Missouri Bar Association** at www.mobar.org or 573-635-4128.

To learn more about ways you can remember your church or favorite United Methodist ministry in your estate plans, contact *your*



**Missouri
United Methodist
Foundation**

**800-332-8238
www.mumf.org**

Learn how...

- You can give a gift today that will provide fixed income for life and benefit your church when you are gone
- You can create a charitable endowment through your estate plan that will benefit your church forever
- You can save taxes today and simplify your estate by giving the *future* ownership of your home or farm to your church.
- Beneficiary designations can include your church

**You can make a positive
difference for the world
God loves!**

This publication is intended for general informational purposes and is not a source of legal or tax advice. Individuals should consult professional advisors regarding all appropriate matters.

A gift of love

*An
expression
of faith*



Estate Planning

Plan to Make a Difference

As Christians we affirm God as creator, redeemer and sustainer of all. Indeed, we are called to be stewards of God's wonderful world, and to use our God-given time, talents and resources to make a positive difference.

An effective **Estate Plan** is a practical, important tool that ensures:

- ***The people you care about receive your property***
- ***Your property is distributed in the way you intend***
- ***Expense, inconvenience and heartache for loved ones are minimized***
- ***Taxes are minimized***
- ***Your gifts to church and charity are honored***

Your attorney can help you create the following documents for an effective estate plan.

A Will

(Everyone needs a will even if you use one or more "non-probate" arrangements to handle most of your property.)

Durable Power of Attorney

(Both a short- and long-form may be required.)

Advance Healthcare Directive

(Including the HIPAA authorization form.)

Basic planning is **NOT** expensive.
No planning is **VERY** expensive!

Everyone Needs a Will

A will is the most basic part of every estate plan. A will is a legal document stating how your property is to be disposed of at your death and should be dated, witnessed, and signed by you according to the formalities of Missouri law.

A properly drafted will ensures that:

- **All** assets are identified and distributed as you intend. (Including gifts to church & charity.)
- No part of your estate is distributed under the state "intestacy" laws.
- Your minor children and/or dependent adults are cared for properly. In Missouri, a will is the **ONLY** document in which you can name a guardian and conservator for dependents.

The Probate Process

The Probate Court will (1) determine the validity and meaning of the will, (2) identify heirs, (3) appoint guardians and conservators, and (4) approve the payment of creditors and the distribution of assets that are subject to the terms of the will.

Most estate plans strive to minimize the amount of property that is in the "probate estate" so that probate costs are minimized.

Non-probate Transfers

Ownership of assets can be transferred by legal means outside your will. Assets that are transferred in this way are not part of your probate estate. Some popular "non-probate" transfers include:

- Payable on Death (POD) designations on bank and brokerage accounts.
- Transfer on Death (TOD) designations on car or boat titles.
- Beneficiary Deeds on real estate.
- Beneficiary designations on life insurance or retirement accounts.
- Living Revocable Trusts
- Joint property ownership (Beware the pitfalls!)

Living Revocable Trusts

A common estate planning trust is a living revocable trust. The same person may set up the trust, manage the property as trustee, and be the beneficiary.

There are two important steps in creating an effective Living Revocable Trust:

- 1) Your attorney drafts the trust document.
- 2) You **must** transfer assets into the trust. (e.g., your house, cars, etc. must be re-titled in the name of the trust.)

In general, the assets held by the trust are not subject to the probate process. The trust document includes instructions for your successor trustee regarding how all the assets in the trust are to be administered during your lifetime and distributed upon your death.

Although the trust may be your primary estate planning document, your attorney will also draft a brief will called a "pour-over will" to ensure that any assets that have not already been transferred to the trust are "poured over" into the trust. Thus, your trustee can handle the distribution of your estate without the expense and delay of the probate process.

Some advantages of the living trust include:

- Private administration. (Not a matter of public record in the probate court.)
- Simpler property ownership in multiple states. (One trust can own all property and avoid multiple probate courts.)
- Appointment of successor trustee as needed.