



THE LAW OFFICES OF
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FAMILY WEALTH & LEGACY COUNSELLORS

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Estate Planning in Uncertain Times

The end of 2012 and the beginning of 2013 was an interesting time for estate planning professionals. The 2012 election left us where we started, with the House of Representatives controlled by the Republicans and the Senate and White House controlled by the Democrats. In December 2012, we knew the Bush administration tax cuts would expire as of January 1, 2013 but we did not know what the new rules would be. January 2013 brought us new tax laws but many unsettled political issues remained, namely government spending cuts.

This uncertainty left many families guessing regarding their estate planning but also highlighted a few important principles. First, the only thing we can count on in life is change! We don't always know what the future tax rates or future tax laws will be but we do know these things will change, along with many other aspects in our lives. It is important to have a plan in place that considers these changes. It is also important that any existing plan is updated on a regular basis in order to incorporate changes that occur over the years.

The recent uncertainty actually highlighted the importance of estate planning. A common misconception many people have about estate planning is you need to have a certain amount of money in order to have an estate plan. This is not true. Everyone has a plan, it is simply a question of whether it is a plan you put in place for yourself or, if you do nothing, a plan the state has created for you. Anyone who has someone or something in their life they care about needs to do planning so assets are managed and preserved appropriately. Failure to plan might lead to many unexpected and undesirable outcomes including: the payment of unnecessary estate taxes; unintentional disinheritance; and/or inheritance by an unintended beneficiary, only to name a few.

The new tax laws increased our estate tax exemption to over \$5 million dollars. With such a high exemption rate it is not uncommon for people to believe estate planning is not necessary. This also is not true. Even though the current Federal Estate Tax Exemption is \$5,250,000, indexed for inflation, there is no guarantee the law could not be changed to a lower rate by future administrations. Further, planning goals such as remarriage protection, spendthrift protection, blended family protection, and providing for loved ones with special needs, all require planning regardless of the amount of the estate tax exemption.

The lesson for everyone is that no one knows what the future holds regarding estate taxes. This continuing environment of uncertainty is why a relationship with a counseling oriented attorney and trusted financial advisor is so critical. No one can predict what the estate tax will be at the time of your death. Therefore, an estate plan, prepared by experienced estate planning professionals is the best way to ensure you have a plan that works when you need it.

The Law Offices of Hoyt & Bryan assists families in the protection of their loved ones by focusing their practice in the areas of Estate Planning, Probate and Trust Administration, Elder Law including Medicaid and VA Planning and Special Needs Planning, Pet Planning, Business Succession Planning and Real Estate. The founders, Peggy Hoyt and Randy Bryan, are both dual board certified by the Florida Bar in Wills, Trusts and Estates as well as Elder Law. Hoyt & Bryan is the only law firm in Florida with the distinction of two attorneys with these certifications. We offer many complimentary educational workshops each week in our Learning Center at The Law Offices of Hoyt & Bryan and monthly workshops in the Auditorium of One Senior Place in Altamonte Springs. For more information please contact our office at 407-977-8080 or visit our website HoytBryan.com.