

Sherrin Partners – Education Flyer

Estate Planning

An effective Estate Plan includes tax effective Wills to protect your estate and the interests of your beneficiaries in the event of your death.

Jointly held assets, trust assets and superannuation however, are not necessarily dealt with by the terms of the Wills. These are usually considered 'non-estate' assets for estate planning purposes.

It is therefore important to have a comprehensive Estate Plan to ensure that all assets are transferred in the most effective and efficient manner.

To meet your estate planning needs, we believe in utilising a specialist Estate Planning Service to devise an appropriate Will. This should also include the ability for the Executors of your Estate to establish testamentary trusts.

Outlined below are some factors to consider when developing your Estate Plan.

Your Will

Your Will is the document that transfers the assets owned in your individual name to your nominated beneficiaries.

Most people wrongly believe that their Will covers all of their assets, so special care should be taken to ensure that the ownership and control of all of your assets, including 'non-estate' assets pass to beneficiaries in the way you intend.

Testamentary Trusts

A Testamentary Trust is a trust created pursuant to your Will and has several significant advantages for any current and future children and grandchildren.

Testamentary Trusts can help to distribute your estate to your beneficiaries in a more tax-effective manner and reduce the likelihood of a successful challenge to your Will.

A Testamentary Trust may also provide asset protection for beneficiaries of your estate who may face certain legal claims on their assets. However, if the establishment of the trust is done in contemplation of frustrating the claims of, for example, legitimate creditors, the courts may effectively unwind the arrangement.

Enduring Power of Attorney

Granting a Power of Attorney means that you legally appoint a person or an organisation to make decisions, sign documents, and act on your behalf in various matters.

When you grant a Power of Attorney you may choose to limit the actions which the attorney can perform on your behalf (Limited Power of Attorney) or give the attorney wide powers to undertake actions on your behalf (General Power of Attorney).

You may wish to appoint a trustee company as your attorney, such as National Australia Trustees, either in conjunction with a family member or an alternative should the appointee be unable or unwilling to act. You may think this advisable particularly where your attorney will be dealing with your financial affairs.