WHAT IS PENNSYLVANIA LEGACY PLANNING?

"Legacy planning is a more complete form of estate planning. When you craft your legacy, you shape the way that you will be remembered after you are gone."

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When you consider the subject of estate planning, you will naturally connect it to the creation of a last will or a trust. These documents are used to facilitate asset transfers after you pass away, and this is certainly at the core of the endeavor.

At the same time, you have more expensive options. If you are in a position to do so, you can engage in the process of legacy planning.

This is a more holistic, complete form of estate planning. Legacy planning involves some matters that are financial in nature, but it can also address matters of the heart.

WEALTH PRESERVATION

First, we should look at the monetary side of things. People who have been particularly successful from a financial perspective may be in a position to make things more comfortable for their loved ones.

However, this can be easier said than done, because of the existence of the federal estate tax. The tax carries a 40 percent maximum rate, so it can significantly reduce the wealth that you are passing on to succeeding generations.

The federal estate tax credit or exclusion is $5.43 million. This is the amount that you can transfer before the estate tax would become a factor. If you are exposed to the estate tax, your legacy plan can include the implementation of strategies that would yield estate tax efficiency.

Ultimately, a maximum store of resources could remain in the family.

EDUCATIONAL OPPORTUNITIES

You may have some younger people on your inheritance list. Direct inheritances can be great, but some people are not ready to handle money, and they are not fully developed personally and intellectually.

When you are creating a legacy plan, you could set aside resources for educational purposes.

FAMILY HEIRLOOMS

When you have lost loved ones along the way, you may have inherited valuable family heirlooms. The value could be monetary, but these items undoubtedly have extraordinary sentimental value, and they have historical value as well.

You can take stock of the family heirlooms that are in your possession when you are crafting your legacy plan and make sure that they are passed along to the appropriate caretakers.

ETHICAL WILL

Everyone has heard of the legal document called a last will or last will and testament. This is not the only type of will that can be utilized.

There is another type of will called an ethical will. These wills stem from the Judaic tradition, and they date back to biblical times. You would use an ethical will to record your moral and spiritual values.

The members of your family that will be left behind have probably looked to you for advice and guidance over the years. Though you will not be around forever, your ethical will could contain valuable rules to live by that your loved ones could draw from after your passing.

FAMILY HISTORY

You are a unique link in your family chain. Your memories would be invaluable to family members who are looking into their family history. When you are putting your legacy plan together, you may want to record your family history so that others can gain from your knowledge and your unique personal perspective.

CHARITABLE GIVING

Charitable giving can be a very meaningful part of your legacy plan. As they say, giving is its own reward, and there are many worthy causes and institutions out there that can always use some financial assistance.

There are various different ways to give to charity. Some people create charitable foundations, and donor advised funds are quite popular. Charitable trusts can also be used to satisfy philanthropic aims.

In addition to the personal rewards, charitable giving can also have positive tax consequences under some circumstances.

SUMMARY

Legacy planning is a more complete form of estate planning. When you craft your legacy, you shape the way that you will be remembered after you are gone.

Making sure that your loved ones are properly provided for from a financial perspective is part of the process, but you can think more holistically and look at a broader picture.

We have provided some things to think about in this paper. To learn more about legacy planning, schedule a consultation with a licensed estate planning attorney.

REFERENCES

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About Flood & Masiuk, LLC

Marianne Flood

As the founder and managing partner of the Southampton, Pennsylvania law firm of Flood & Masiuk, LLC, Marianne Flood oversees a practice devoted to providing clients with personalized service and counsel in all aspects of estate planning.

Because of Ms. Flood's deep commitment to the specialty of estate planning, she became a member of the American Academy of Estate Planning Attorneys in April, 2000. Her entire private practice has been devoted to helping families of all ages and backgrounds.

Joe Masiuk

As a partner in the law firm of Flood & Masiuk, LLC, Joseph Masiuk is committed to, a practice which provides people of all ages and walks of life with thoughtful and comprehensive solutions in Estate Planning, which includes Elder Care, Medicaid and Special Needs Planning.

Today, Mr. Masiuk is a widely noted speaker, author and seminar leader on topics ranging from estate and Medicaid planning to asset protection for traditional and GLBT couples and families.

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