



MEIER LAW FIRM

Trusts • Asset Protection • Special Needs

Avoiding California's Default Estate Plan

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Did You Know That You Already Have an Estate Plan? Understanding California's Default Legal Plan For Your Family And How You Can Avoid It!!

Chances are that if you are looking to set up a Will or a Trust, you probably didn't realize that you already have an Estate Plan! Confused? Most people are when we tell them this.

That's because if you have not yet set up your own will and trust (AKA an Estate Plan) for your family, the State of California has stepped in with their own default plan for your family, and as a spoiler alert, you are NOT going to like it!

In this guide, we will educate you on what happens in California if you do not have your own Estate Plan, and specific strategies you can implement to avoid California's default plan for you.



1 Your Kids Could End Up in Temporary Foster Care, and a Judge Would Choose a Guardian.



It's the scenario no parent would ever want...they are seriously hurt or killed in a car accident, and then their children are placed in the care of strangers rather than into the loving arms of a family member or trusted friend.

It's not that California would not want to place your kids with who you want, it's that they don't always know who these people are or how to get a hold of them; so, they have no better alternative than to keep your kids safe in their custody and care.

And if you do pass away, a judge is going to be forced to choose among your family members who should be the guardian to raise your kids, and it might not necessarily be who you would have wanted. Worse, this court process can take over a year, and naturally turns family members against one another.

If you don't like California's default plan for your children's care, you can legally name both temporary and permanent guardians for your children in advance by setting up your own Estate Plan, so that way first responders would know who to contact in an emergency, and your children would immediately be placed in the care of the people you have authorized to care for them or raise them.

2 Your Home and Money Will Get Tied Up in a Long and Expensive Court Process That Can Costs Tens of Thousands of Dollars.



You've worked so hard for everything you have, and if you are like most people, you do not want your hard-earned money going to the government or getting tied up in a long and expensive court process that can take years to resolve.

But that is exactly what happens when you fail to create your own Estate Plan before you die and leave it all to the courts to sort out. Unless you owned all your assets jointly with someone else or named them directly as a beneficiary, your family is going to have to go to court to receive money from you and the government is going to take a significant chunk of it! Even if you are married and own everything jointly, your family will still end up in probate when the surviving spouse dies.

Going through court is nothing like going through Starbucks where you place your order and get handed your latte two minutes later...going through the California probate process can take 2-3 years, most of which time your money is completely frozen and unavailable to the loved ones left behind!

The only way to avoid California's difficult probate court process when you (or the surviving spouse) die, is to set up a Revocable Living Trust. A Trust is a legal document that identifies who you want to get your money and assets when you die and on what terms, and who you want to be in charge of that process, thus eliminating the need for court intervention. A Revocable Trust can be changed anytime by you during your lifetime and allows you to retain full control of your assets.



3 Your Spouse and Children's Inheritance Can Be Taken Away By Their Creditors, Predators, Lawsuits, and Future Divorces.

It's hard enough to imagine not being there for the people we love because we've passed away. It makes it even harder when we realize that the money we are leaving behind for them could be taken away from them by an ill-intentioned third party like a creditor, predator, lawsuit opponent, or a future ex-spouse. It's money that you would have wanted your loved ones to have to protect them and care for them, and that you never would have wanted it go to someone else.

But that's exactly what could happen when you fail to make your own plan and leave your money going through a long and expensive court process known as probate. Once that probate court process concludes, the money goes outright to your next of kin (like your spouse and kids), without any restrictions or PROTECTIONS. The money is not protected from those wishing them harm.

The good news is that California allows you through your own Revocable Living Trust to specify any restrictions and protections you want over the assets and money you leave behind. Worried that your surviving spouse could get remarried and give the money you left behind to a new spouse? Or worried that your child could get sued and lose their inheritance from you if they get in an accident? These are scenarios you can protect your family members against when you pass their inheritance to them with asset protection.



4 Your Family Will Pay Unnecessary Taxes.

Do you like paying excessive taxes? Most people don't! Especially when they could have been avoided! But if you fail to set up your own Estate Plan properly, you could get locked into tax liabilities, such as your home getting taxed more than it would have when it transfers to your surviving spouse or children upon death because of how you held title. Or, your family having to pay the government millions of dollars if you're very wealthy because you failed to implement tax saving strategies that could have helped mitigate your estate tax bill.

The good news is that there are over 200 tax saving strategies available to families wishing to reduce their tax liability upon a death, and also during their lifetime. There is no reason to pay unnecessary taxes when you sell a family business, or property, or investment, or if your company is going public, or you pass down a large inheritance. Don't leave your tax liability to chance. You deserve to get the guidance you need instead of unnecessarily losing money to the government.



5 Your Family May Be Prohibited From Making Your Medical Decisions or Helping You During a Medical Crisis.

If there was one thing we learned from the Covid-19 pandemic, it's that we must be prepared for a medical emergency, which often happens without any warning.

Imagine, something happens to you, and your family calls the hospitals searching for answers, only to be told that they are legally prohibited from sharing that information with them.

Even if your family is by your side during a medical emergency, they likely won't have the legal authority to make medical decisions for you if you did not pre-authorize them to do so. This scenario often leaves family members panicked and scrambling and having to turn to a court to get permission to help you during a medical emergency (which costs a lot of time and money), when all they want is to be by your side and help you.

You can avoid a medical nightmare by legally executing robust medical powers of attorney, which should include: 1) a Living Will, which expresses what you wish to see happen if you are on life support and the physicians determine you will never wake up; 2) an Advanced Health Care Directive, which empowers someone you trust to make all your medical decisions for you if you cannot; and 3) a HIPAA Authorization, which specifies who is allowed to receive medical information about you.

By completing medical powers of attorney in advance while you are healthy and well, and having them accessible during an emergency, you can rest assured that you would be completely taken care of by the people you trust during a medical emergency.

6 You May Not Have the Opportunity to Say Goodbye.



If you don't have your own Estate Plan in place, California will have to sort out your legal affairs for you when you pass away. But they won't preserve who you are as a person, or protect the legacy you wish to leave behind. Only you have the power to pass on your love and best wishes for those you leave behind.

How many times have you heard about people who will save a voicemail left by a family member who died, that they play over and over for comfort? Or having a friend tell you how they wished they could have told their loved one goodbye but didn't get the opportunity? Life can change in a moment.

While we may not have control over our last goodbye, we can take time to preserve the love we have in our hearts for others by completing a Legacy Interview. This audio or video recorded interview allows you to capture your special memories, values, hopes, and love and ensure they are preserved forever. What is in your heart that you would want to pass down if tomorrow never came?



Do you like California's default plan for your family? No one does! You and your family deserve better!

By creating a family Estate Plan, you can:

- ✓ Protect your children from the care of strangers so they're cared for and raised by who you want;
- ✓ Avoid a long and expensive court process known as probate by creating a Revocable Living Trust;
- ✓ Control the distribution of wealth to loved ones by passing the money you leave behind to them with asset protection;
- ✓ Reduce or eliminate unnecessary taxes by implementing tax saving strategies;
- ✓ Avoid a medical nightmare by having robust medical powers of attorney that authorize your loved ones to care for you;
- ✓ Avoid a lost legacy by preserving the love in your heart through a Legacy Interview.



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It's Time to Take Action and Create a Family Estate Plan!

You don't have to worry and you don't have to wait. By creating a comprehensive family Estate Plan, you can eliminate all your concerns, and guarantee a better future for your family.

Our team at the Meier Law Firm has helped thousands of California families protect their assets and loved ones, and achieve peace of mind. We are not just your lawyer for today, but for life, and will be here for your family now and in the future. Our clients have given us the highest possible ratings with 5 stars on Yelp and Google because of our expertise, unique estate plans, compassion, and care.

We warmly invite you to take the next step toward crossing these concerns off your worry list, by scheduling a planning session with us. During your planning session, you will meet confidentially and privately with a member of our team who can get you the answers you need and identify the right level of estate planning that makes sense for your family's unique needs and goals. Call 949-718-0420 to schedule your planning session now or visit meierfirm.com.

Remember, you have the power to change everything for your family and ensure a better future with lasting peace of mind. Start your planning today.

**SCHEDULE A PLANNING
SESSION**

