

# Summary of Our Estate Planning Webinar



Estate planning is a vital step in making sure your assets are protected and your loved ones are cared for according to your wishes. Danielle Yacono, an experienced estate planning attorney, recently joined us to host an educational webinar on estate planning. During the webinar, she shared practical tips and strategies to help ensure your intentions are honored and your loved ones are cared for. Below are the key takeaways:

## Top 3 Essential Documents

### 1. Will

- Directs how your assets are distributed after death.
- Names an executor to carry out your wishes.
- Can establish trusts for minors, individuals with special needs, or at-risk beneficiaries.
- Avoids state intestacy laws, which may distribute assets contrary to your wishes.

### 2. Durable (Financial) Power of Attorney

- Appoints someone to manage finances if you are incapacitated.
- Prevents the need for court-appointed guardianship.
- Valid indefinitely in PA unless revoked.

### 3. Healthcare Power of Attorney (Living Will)

- Outlines end-of-life medical preferences.
- Designates a medical decision-maker.
- Includes HIPAA authorization and options for care.

## Probate

Probate is the legal process of validating a deceased person's will, settling debts, and distributing assets under court supervision. Probate can be time-consuming, costly, and prone to delays or disputes.

- If there is a will, the assets go through probate according to its instructions. If there is no will, the court decides how the assets are distributed based on state law.
- Assets can pass outside of probate through joint ownership or beneficiary designations.
- In Pennsylvania, probate is not as complex or costly compared to other states (i.e., NY, CA, FL).

## Inheritance Tax Overview (PA)

In Pennsylvania, inheritance tax is a state tax applied to most assets passed from a deceased person to their heirs, including IRAs and brokerage accounts—even if they have named beneficiaries. Life insurance is exempt, and tax rates vary based on the heir's relationship to the decedent:

**Spouse: 0%**

**Children: 4.5%**

**Siblings: 12%**

**Others (e.g., friends, unmarried partners): 15%**

## Common Mistakes

- Not aligning beneficiary designations with your will.
- Assuming a will alone is enough without powers of attorney.
- Not planning for complex family dynamics or special needs.

## Final Thoughts

Every estate plan should be personalized, as there is no one-size-fits-all solution. It's important to carefully review account titles, beneficiary designations, and any family concerns. Meeting with an attorney can help ensure your estate plan accurately reflects your wishes.

If you have any questions about the webinar or need assistance with estate planning in Pennsylvania or another state, please reach out!