

Estate Planning Mistakes

Avoiding the 7 Biggest Blunders

Edward Olkovich

About Edward Olkovich



Ed is recognized as a leading Canadian estate expert. He has practised law in his own firm since 1978 and is a Certified Specialist in Trusts and Estates Law.

Ed is also the author of seven books, including *Choosing Executors*, *Breakthrough Estate Planning*, and *Estate to the Heart: How to Plan Wills and Estates for Your Loved Ones*.

He has spoken to audiences across Canada and is a frequent guest on television and radio. As a lawyer, Ed advises clients on wills, estates, executors, and estate administration and handles legal challenges to wills.

Ed is a member of the Ontario Law Society of Upper Canada, Ontario Bar Association, American Bar Association, Society of Trust and Estate Practitioners (STEP), Canadian Association of Professional Speakers (CAPS), and National Speakers Association (NSA).

He is the founder of estatetherapy.com, an online estate planning publisher, and is the Dean of Executor Academy. Ed can be reached by e-mail at ed@mrwills.com or by telephone at 416-769-9800 or toll free at 1-877-MrWills.

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A handwritten signature in black ink, appearing to be 'Ed' with a stylized flourish.

Edward Olkovich, B.A., LL.B., C.S., TEP

Avoiding Costly Money Mistakes

What are the costliest money mistakes you can make?

Forget about what happened with your money in the real estate and stock market collapses. You can recover when these bounce back. The biggest blunder is not having an estate plan.

Why is this the case?

Shortsightedness can wipe out everything you worked for during your entire life. Once you're gone, you have no chance to recover the loss.

Without an estate plan, your money can be wasted by paying unnecessary taxes, years of delay, and legal costs. How do I know that? This is what I do for a living. As an author and legal specialist in estates and trusts law, I see the damage from this mistake every day. It can change people's lives, causing stress and heartache for those you leave behind.

Estate plans can help you avoid real financial dangers. Most people incorrectly believe only the rich have to worry about estate plans. Give me a moment and I will try to explain how a change in your thinking can save you and your money from ruin.

What Does Your Estate Plan Do?

An estate plan ensures that your loved ones will be taken care of and your financial wishes carried out. Planning helps you prevent problems. If you want to know what estate planning is about, it's simple: You do it to make sure your money goes straight to the people you care about without legal hassles and quarrels.

I can help you start an action plan to avoid the following 7 biggest estate planning mistakes.

The 7 Biggest Estate Planning Blunders

1. Never Finding Any Time — This is the first and biggest mistake people make — they never do any estate planning. Why does this happen? Are we really too busy or is it that we just don't know how to get started? For most people, it's trying to find all the answers by themselves. That's impossible. You need to find out who can help you find the answers you need.

2. Not Having Any Plan — Many people leave things to chance because they think they're not rich. It's a mistake thinking the people you leave behind will automatically manage and figure things out. In every family there are differences of opinion concerning money.

Problems can occur whenever someone else must try to interpret what you want done.

If you don't bother making an estate plan, the government will provide one by default. Their idea of what happens to your money leaves no room for your personal wishes, flexibility, or tax savings.

Your personal estate plan lets you decide what happens to your money and everything else that is valuable to you. You need to learn how to give away all your stuff to keep the government rules from doing it for you.

3. Paying Way Too Much Tax — The government has ways to make you pay taxes even after you're gone. If you have a vacation property, a business, substantial investments, or even a registered pension plan, don't think you can give these away tax-free.

An estate plan can give away your property and reduce, or altogether eliminate, taxes. Think how grateful your beneficiaries will be.

4. Not Making Your Will — If you fail to make a will, the government writes one for you. You have no say about who is in charge of your estate, who gets a share of your money, or how and when it is distributed. You also lose the chance to use any tax-reduction strategies.

Yet people die all the time without having a will. Why? Often they have no idea what is involved in making a will or why it's the cornerstone to every estate plan.

Wills are legal documents that must pass certain legal tests. Judges are often called upon to interpret or declare homemade wills invalid. Don't try to make a will by yourself.

Invest in a professionally prepared will to get peace of mind. Start your research by finding the right advisor.

5. Becoming a Target of Financial Abuse — Who can protect you and your money if you no longer can? Don't think that your family, spouse, or children will automatically have access to your bank accounts to pay your bills.

Your estate plan should include power of attorney documents. You sign these written legal documents to designate someone as your agent to make financial and/or health decisions for you. You can choose who will control your money and make health-care decisions when you no longer can.

6. Not Dealing with Insurance, Business, and Charities — Missing an opportunity to deal with these items in an estate plan can be devastating.

There are certain tax-free advantages with insurance or a qualified incorporated business. Your estate plan should always consider these items to capitalize on the benefits.

Donating to charity, religious, or public causes as part of your estate plan can reduce your income tax liabilities. Giving to charity can be rewarding in more ways than one.

7. Not Updating Your Plan — No estate plan will work if it is out of date. Learn why updates are necessary when changes occur including:

- a change in your personal relationships (marriage or divorce)
- new children, grandchildren, or stepchildren
- changes in your legal and moral obligations
- moving to another province, state or country

Want more information?

Are you interested in a consultation with Edward Olkovich? Contact him at ed@mrwills.com.
By telephone at 416.769.9800 or, toll free at 1.877.Mr Wills (1.877.679.4557).

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