



# DON'T TAX YOURSELF

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## Four Basic Estate Planning Documents that Everyone Needs

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Many people think they don't need "estate planning" because they don't have enough assets to generate an estate tax; however, there are four basic estate planning documents everyone should have regardless of net worth.

1. **Durable Power of Attorney:** This document gives an agent complete authority to handle your personal and financial affairs during your life in case of your incapacity, or simply for your convenience even if you are not incapacitated. The objective of the power of attorney is to be as inclusive as possible, so that in the event that you become incapacitated, a court-appointed guardianship or conservatorship will not be necessary to manage your personal or business affairs.
2. **Health Care Proxy:** This document names an agent to make legally binding health care decisions in the event of your incapacity. If you don't have one and your doctors are looking for answers regarding treatment, a court-appointed guardian will be required. To give your agents guidance regarding your wishes, you can also include a "living will" in your Health Care Proxy which is a non-binding statement of intention regarding end of life decisions.
3. **HIPAA Authorization:** This document is prepared together with a Health Care Proxy, and it is extremely useful to have on file with your medical providers. It authorizes those providers to release your medical information to the people named in the document. It alleviates those dreaded arguments with the hospital personnel when a loved one is in the hospital and you just want to know what is going on.
4. **Will:** The last document that everyone should have is a Will, which controls the disposition of your assets after death. More importantly, if you have minor or incapacitated children, you can nominate a guardian to be responsible for your children when you are gone.

A good estate planning attorney will also give you advice regarding how assets should be held in order to coordinate with your plan and avoid probate.

The bottom line is that estate planning isn't just for the wealthy. Every person should have one even if a trust isn't desired or necessary.