

Estate Planning

A step by step guide to
planning your estate

Australia wide service



ESTATE FIRST LAWYERS
THE ESTATE PLANNING EXPERTS

Phone: 1300 132 567

Email: info@estatefirst.com.au

Website: www.estatefirst.com.au



ESTATE FIRST LAWYERS
THE ESTATE PLANNING EXPERTS

Contents

Introduction.....	03
Have the Right Testamentary Document in Place for Each Asset	04
Protect Your Loved Ones' Inheritance with the Right Strategy	05
Put a Strong Tax Strategy in Place to Save Tax.....	07
Protect Your Interests if You Become Incapacitated.....	09
Why Choose Estate First?	10
Our Expertise.....	12
Our Team.....	13

Introduction

“I have an up-to-date Will — isn’t that enough?”

**No, you need a comprehensive estate plan
and here’s why...**

An estate plan is so much more than a Will. It includes all of the advice and legal documents you need to enjoy the peace of mind that comes with knowing that your interests are protected, and that your wealth will pass to your loved ones.

The world today is far more complicated than it used to be. And while we have more wealth than in the past, it is held in more complicated structures, such as superannuation funds, which are not automatically governed by your Will and need their own separate testamentary documents. Your Will alone cannot help you with the tax issues (and opportunities) available to you and

your loved ones and it cannot prevent expensive estate claims, which are on the rise.

Never has the saying ‘Prevention is better than cure’ been more applicable than in the current era and in this area of our lives — that’s the good news. The bad news is that most Australians do not have an estate plan in place.

The following four steps provide a brief overview of how to protect your interests and ensure your wealth passes to your loved ones with a comprehensive estate plan.

Have the Right Testamentary Document in Place for Each Asset

A Will only covers assets you hold in your individual name or property held as tenants in common.

It does not automatically control your superannuation, nor does it control joint assets, many forms of life insurance or assets in trusts.

Those assets need to pass in accordance with their own specific testamentary documents.

If those documents are not in place, you have no control over who will receive those assets on your death. And to add insult to injury, your loved ones will experience delays and expense in trying to sort it all out at that time.



Protect Your Loved Ones' Inheritance with the Right Strategy

Did you know that only an estimated 30% of your wealth will be received by your second level beneficiaries, for example, your grandchildren?

We call this the 'L-shaped inheritance®' and it means that your inheritance has gone sideways to people whom you didn't intend it to go to.

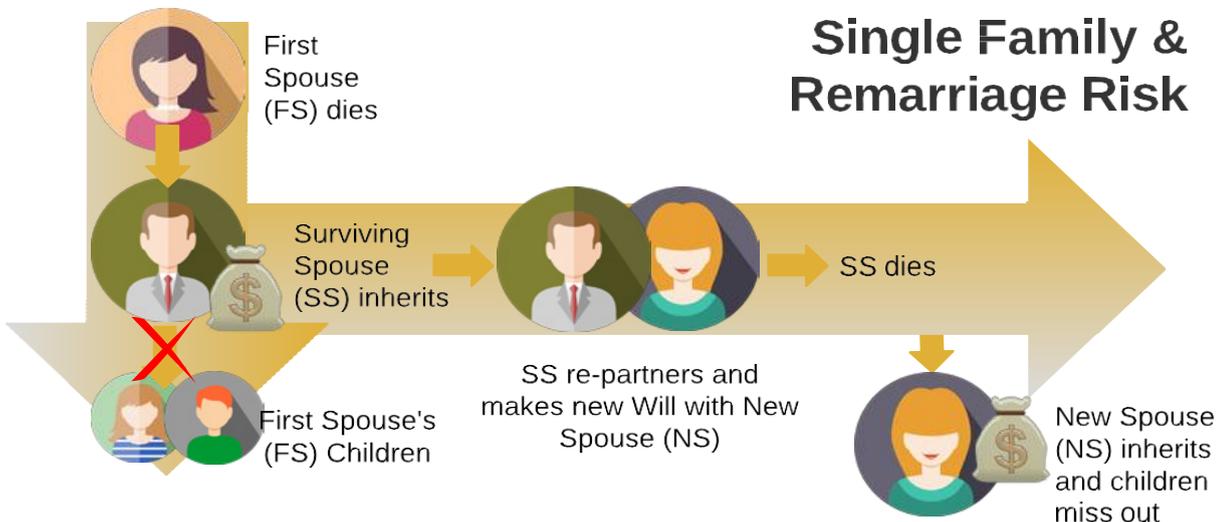
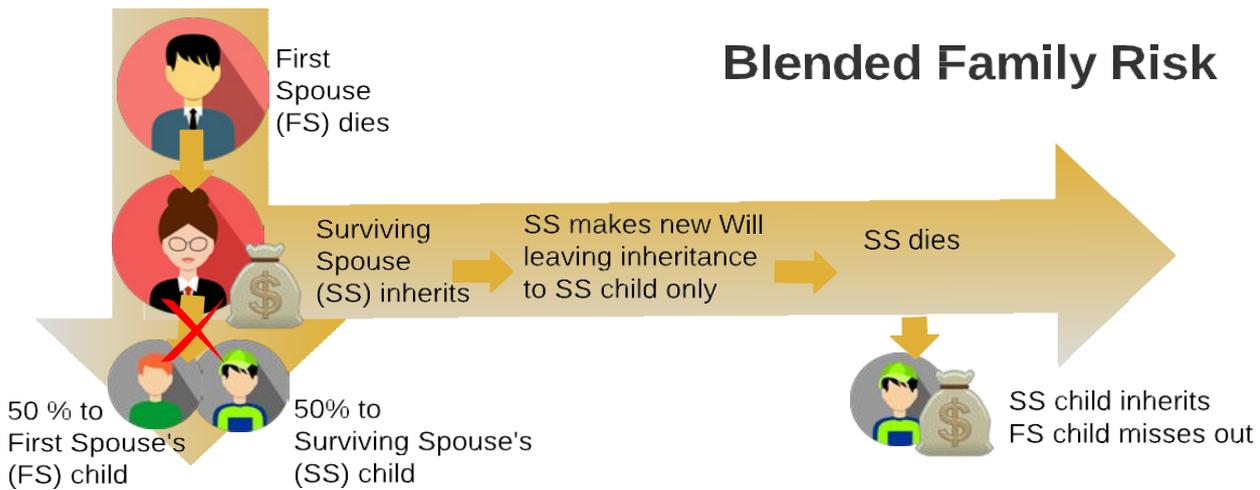
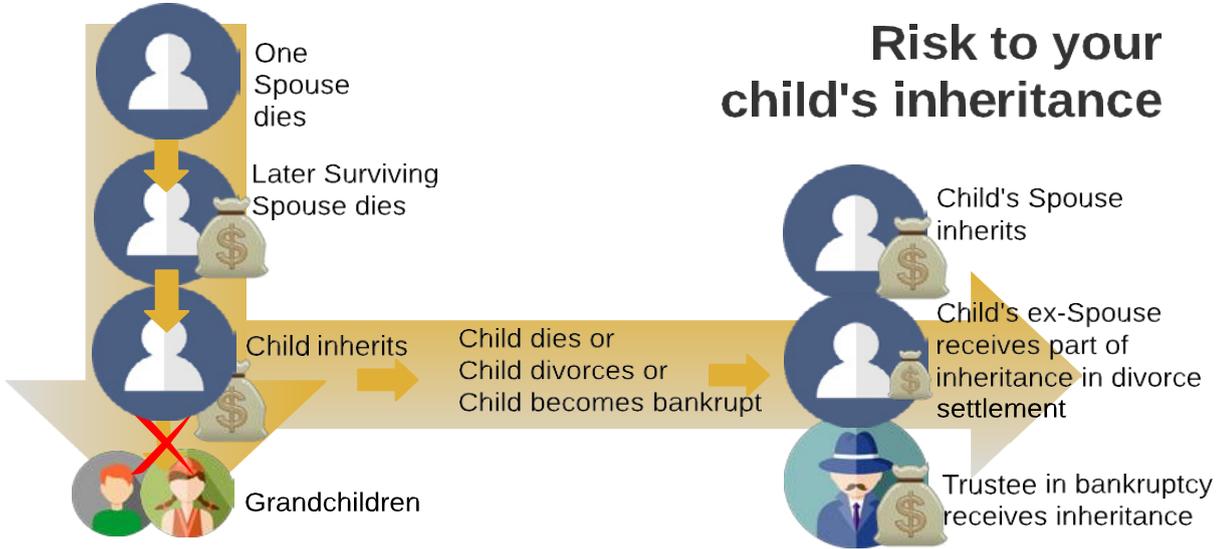
Here's how it happens (view diagram on next page for visual guide):

- Someone brings an estate claim after you die and receives part of your estate. This could be a second spouse or children of your first marriage. Bear in mind that there could be other eligible claimants, too.
- Your spouse survives you and changes their will to leave their assets in a different way to what you had both agreed. For example, to a new partner or their own children.
- Your assets pass to your loved ones, such as your adult children, but they lose their inheritance through, as often happens, by being taken advantage of, bankruptcy or divorce.

There are several strategies that we can help you put in place to minimise the risk of your inheritance going 'L-shaped®'. These include entering into an Inheritance agreement with your spouse, minimising the assets in your estate, and placing testamentary trusts in your Will. Estate planning strategies reduce the risk of expensive estate claims and the chances that your inheritance will end up in the wrong hands.

Avoiding the "L-Shaped Inheritance"[®]

The inherent risk with a standard Will is that the people who you intend to benefit from your inheritance don't actually receive it, because it goes 'L-shaped', that is, away into the hands of someone else.



Put a Strong Tax Strategy in Place to Save Tax

Your estate plan is not complete unless it has sought to minimise the taxes that accompany inheritances.

While we may not have death taxes in Australia on assets such as property and cash, there are still a variety of taxes that can have a huge impact on your estate.

For example, there are capital gains taxes on most assets sold after your death and significant tax is paid on superannuation death benefits paid to persons not financially dependent on you. The most common example is payments to independent adult children, who pay a 17% flat death tax on the concessional component of your super and a whopping 32% on any life insurance component.

We can save you potentially tens of thousands of dollars in tax by creating a strategy that provides an inheritance to your beneficiaries while avoiding the

super death benefits tax. There are also tax opportunities open to you that can only be taken advantage of in your estate plan.

By providing a **testamentary discretionary trust** in your Will for your loved ones, you are providing them with a vehicle to hold their inheritance that offers tax concessions, income splitting and also asset protection.

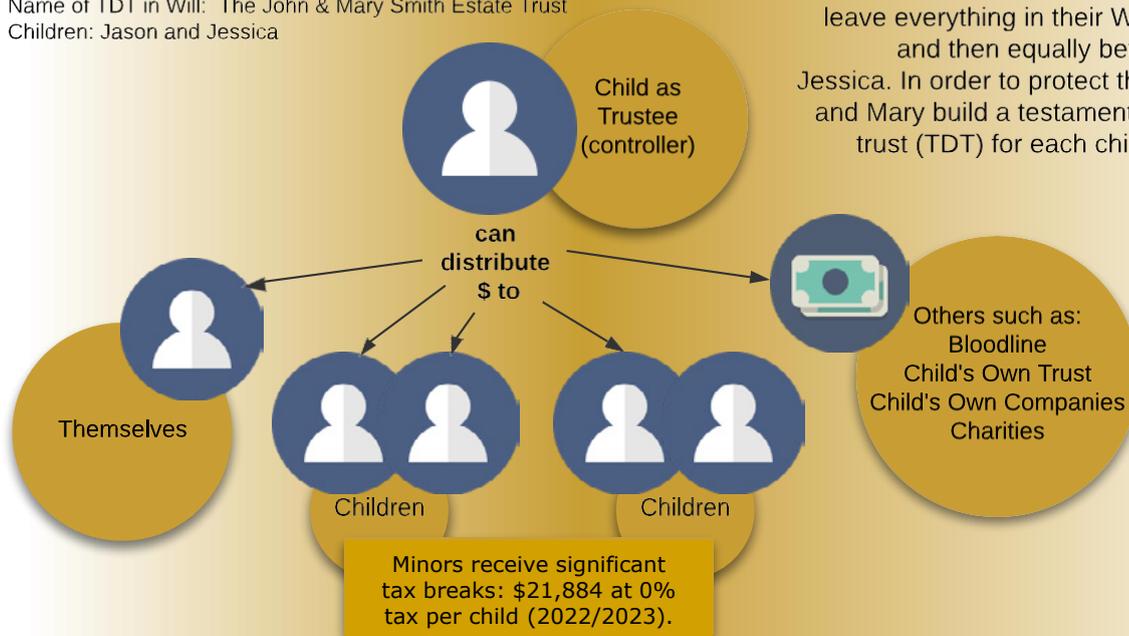
Testamentary discretionary trusts are only available where someone has provided one for you in their Will, so they truly are a very special gift to receive. To learn more about testamentary discretionary trusts, see our Fact Sheet on the next page.

The Benefits of TDT in your Will for Adult Children

Example TDT for adult child

Name of TDT in Will: The John & Mary Smith Estate Trust
Children: Jason and Jessica

Scenario: John and Mary Smith have two children, Jason and Jessica. John and Mary leave everything in their Wills to each other and then equally between Jason and Jessica. In order to protect their wishes, John and Mary build a testamentary discretionary trust (TDT) for each child into their Wills.



How it works

While John and Mary are living:

- the two TDTs are in John and Mary's Wills
- the TDTs can only be used after John and Mary die. (There are no costs or maintenance of the trust to John and Mary, only the cost of establishing them in their Wills)

After John and Mary die:

- Jason and Jessica each have the option to put some/all of their inheritance into their own TDT
- The TDT can buy assets just like a person can
- Jason and Jessica can access the money in the TDT any time
- There are no annual fees payable other than that Jason and Jessica will need to prepare a tax return for their TDT each year
- Jason and Jessica can wind up their own TDTs at any time

Benefits

- **Asset protection for Jason and Jessica.** TDTs reduce the risk of Jason and Jessica's inheritance being affected by bankruptcy, divorce or their own deaths ("L-shaped inheritance").
- **Tax concessions for Jason and Jessica.** Income earned in the TDT can be split amongst the TDT beneficiaries each year to take advantage of lower tax thresholds. Plus minors (e.g. Jason and Jessica's respective children) have adult tax-free thresholds.

Investment by John & Mary

Estate First Lawyers has a fixed fee cost for preparing your TDT Wills. Ask us for our Price List.

Protect Your Interests if You Become Incapacitated

Your Will only comes into effect when you pass away, so it will not protect you when you are at your most vulnerable.

We will help you put in place important legal documents that are crucial to get right — such as a well drafted Enduring Power of Attorney.

Not all Enduring Powers of Attorney are created equal, and special clauses need to be included to make the document practically workable and protective if you ever become incapacitated.

Every State/Territory has its own set of incapacity legal documents. For example, in NSW, an additional document called an 'Enduring Guardian' is required to deal separately with your personal and health matters.

We can also discuss Health Care Directives with you.

Remember, prevention is better than cure. Get it right the first time and experience peace of mind.





Why Choose Estate First?

Estate First makes the whole process easy!

Our unique '4 Easy Steps' method means that at the first meeting our experienced estate planning legal team can usually craft an estate plan tailored to your situation and at the end of the meeting provide you with a fixed fee quote.

Make an Appointment

By calling us on
1300 132 567
or emailing us at
info@estatefirst.com.au

1

We'll keep you posted

You will receive draft documents to review.
You can discuss your plan with us at any time.

3

Meet with your Lawyer

We will listen, **answer your questions**, craft your estate plan and **provide you with a fixed fee quote.**

2

Final document meeting

We'll go through all final documents together to **ensure the plan is exactly what you want.**

4

There is no pressure to use our services, and you are welcome to come back for a second meeting and decide to proceed or not proceed with the work. Most clients do, with our statistics showing that **94% of our clients make the decision to proceed.**

Estate planning meetings can be held face to face or virtually in Qld, NSW and VIC. Virtual meetings are held in all other States and Territories.

Special Fixed Fee First Consultation Rate



Are you a first-time client to Estate First?
We are happy to offer you a special discount for your first consultation (up to 1.5 hours) of \$295+GST.

During your consultation, you will receive valuable, tailored advice from an experienced estate planning lawyer and a written fixed fee quote. If you stay longer than 1.5 hours, you will only be charged our hourly rate from that point. There is no obligation to proceed with our services, however 94% of clients proceed with their Estate Plan. If you do proceed, we will deduct the \$295+GST off the price of any Will that you go ahead with.

To make an appointment to see a solicitor, call Estate First on 1300 132 567 or email us at info@estatefirst.com.au





Our Expertise

At Estate First, we practice exclusively in the area of Wills and Estates, from simple to complex:

Our team of solicitors are deeply experienced in all aspects of estate planning, including:

- Drafting Wills from simple to complex (including testamentary trusts)
- Estate planning advice for your superannuation (tax effective strategies, binding nominations and reversionary pension nominations)
- Protective trusts and special disability trusts for disabled or vulnerable beneficiaries
- Estate planning strategies for blended families
- Estate planning for business structures (companies, trusts, etc.)
- Asset protection
- Enduring powers of attorney and advance health directives
- Estate administration (Qld, NSW and VIC only)

Take the first steps to protecting your interests and ensuring your wealth will pass on as you intend with a fixed fee no first consultation.

To make an appointment to talk with a solicitor, call Estate First on 1300 132 567 or email us at info@estatefirst.com.au

Our Team

Our focus on estate planning means our lawyers are passionate about this area of law.

It isn't an 'add-on' for us, it goes to our core competency and values. And because it is at the core of what we do, we have spent a lot of time honing our knowledge and our processes to offer you the best estate planning service we possibly can.

Rest assured that when you choose Estate First to assist with your Will and estate planning needs, you will receive personal attention and the reassurance that fixed fees provide.

Client Testimonials

I sought the services of Estate First Lawyers as part of my retirement planning. They were great. The lawyer I saw was professional, knowledgeable and approachable. I am very happy with the advice and services I received and feel much more confident about my future. I have no hesitation in recommending their services, and feel that I received value for money.

Jane, A

Client Testimonials

The experience was stress free and almost enjoyable, discussion of Wills and death can never be totally enjoyable! In the final analysis, the question you have to ask yourself is, are we confident in the integrity of the legal documents we now hold, as confidence provides peace of mind? We are looking forward to many nights of peaceful sleep, thanks to Estate First Lawyers.

Malcolm and Cathy, C

We made our appointment with Estate First Lawyers and began a journey of learning. Right from the start, our lawyer, was friendly, confident, and most professional, putting us at ease and really personalizing what she was explaining to our own situation.

John and Margaret, G

I would recommend Estate First Lawyers to anyone wishing their services, my situation was relatively simple, however I did have questions that were answered in a way that the non-legal person could understand. Very good value for money.

Suzi, M



ESTATE FIRST LAWYERS
THE ESTATE PLANNING EXPERTS

YOUR ESTATE PLANNING

Our Passion. Our Focus

To make an appointment with an experienced estate lawyer, call Estate First on

1300 132 567

or email us at

info@estatefirst.com.au

Head Office

Level 10, Toowong Tower,
9 Sherwood Road,
Toowong QLD 4066
(above Toowong Village
Shopping Centre)

QLD Regional Visits

Gold Coast
Sunshine Coast
Toowoomba
Rockhampton
Townsville
Cairns

Brisbane CBD Office

Level 20, HSBC Building
300 Queen Street,
Brisbane QLD 4000

Sydney CBD Office

Level 26
44 Market Street
Sydney NSW 2000

Melbourne CBD Office

Level 40
140 William Street
Melbourne VIC 3000

Mailing Address: PO Box 2178, Toowong, QLD, 4066

Website: www.estatefirst.com.au

A Division of Corporate First Pty Ltd ABN 61 613 157 074

Individual liability limited by a scheme approved under professional standards legislation

This information provided in this brochure is general in nature and should not be acted upon without first obtaining legal advice on your particular situation.