

## Biggest Mistakes In Wills

Everybody knows they should have a will, and not having one can leave heirs with a big mess. Just having a will is not enough. Mistakes are common, from leaving decisions to the last minute and failing to update documents to mismatching beneficiaries.

**Procrastination** – Many people do not create the proper documents, or attempt to cobble something together on their death bed. These last minute efforts can lead to a host of problems for the simple reason that decisions made in haste leave less time to think through the multiple what-ifs. Last minute preparation also raises the likelihood that a disgruntled heir could claim the will was made under duress or in a diminished capacity.

**Giving it all at once** – People sometimes choose to bequeath a significant amount of money outright, all at once. This can be a mistake. Children in their early 20s or 30s, or even later in life, may not be able to handle such windfalls. A better option, is to leave the assets to a trust to manage the assets.

**Forgetting digital assets** – As more people invest in crypto currency and NFTs , it becomes critical to ensure someone will have the ability to navigate the digital wallets.

**Not making updates** – Write it and forget it is a common theme in wills. But the documents should be updated every 5 to 10 years because intentions and circumstances can change over time.

**Mismatching beneficiaries** – Even if they have an updated will or living trust, many people forget to update their beneficiary designations on other things, such as pension accounts, individual retirement accounts, and other investments and insurance policies because generally a beneficiary designation generally supersedes the terms of a will. Because of this, there can be unintended consequences including leaving substantial sums of money to an ex-spouse or failing to leave specific assets to a child or grandchild.

**Not allowing for flexibility** – Sometimes wills or living trusts are worded in way that cause unintended consequences, such as leaving more or less money than desired to an individual or charity.

**Not heading off conflicts** – Conflicts between heirs tend to happen more often when they are surprised by the contents of wills or trusts. *Wall Street Journal* 2/21/23 p. R6.

## Florida V. New York By The Numbers

	FL	v.	NY
Population	22,244,823		19,677,151
Top State Income Tax Rate	0		10.9%
Top City Tax Rate in NYC and Miami	0		14.8%
State Sales Tax Rate	6.0%		4.0%
12/22 Unemployment Rate	2.5%		4.3%
Annual State Budget	\$114.8 billion		\$227 billion
Medicaid Spending in 2021	\$8.95 billion		\$26.47 billion
Medicaid Recipients in 12/22	5,638,561		7,761,755
GDP Growth 2016-2121 in 2012 dollars	17%		8.0%

As recently as 2013, the two states had similar populations. Is it any wonder that so many people have moved to the Sunshine State.

If Florida politicians want to spend more, the state's economy has to grow more. New York's politicians can merely raise income taxes as they do with great frequency. *Wall Street Journal* p.A16 2/10/23.

### **Are Race Based Tax Audits In Our Future**

Congress has prohibited the Internal Revenue Service from collecting race and ethnicity data from American taxpayers.

Since President Biden took office, the Treasury Department has been using racial equity as a "key factor in the design of tax compliance" and illegally "examining the tax system through a racial equity lens." Statements by Deputy Secretary of the Treasury, Wally Adeyemo, Assistant Secretary for Tax Policy, Lily Batchelder, and members of the "Treasury Advisory Committee on Racial Equity" demonstrate that the Treasury Department is committed to imputing race and ethnicity into tax data for the purpose of ensuring that more white, Asian, and mixed-race Americans are audited based solely on their race or national origin.

Furthermore, President Biden's February 16, 2023, Executive Order on Further Advancing Racial Equity and Support for Underserved Communities Through The Federal Government directs agencies to "prevent and remedy discrimination, including by protecting the public from algorithmic discrimination." Consequently, there is a very strong reason to believe that the Treasury Department is altering the IRS's audit algorithms to illegally operationalize racial quotas and/or requiring agents to use imputed race and ethnicity to ensure "racial equity." *Freedom of Information Act Request 2/21/23 American First Legal*.

As always, if you have any questions about these or any other matters, do not hesitate to call us.