



# Spring Cleaning Your Estate: Refresh and Organize Your Plan

*Presented by Paula Clarkson Chamberlain, J.D., LL.M*



# About Merhab Robinson & Clarkson

## *Business and Estate Planning*

### Practice Areas

- ❖ Estate Tax Planning
- ❖ Probate & Estate Administration
- ❖ Business Succession Planning
- ❖ Asset Protection
- ❖ Charitable Planning
- ❖ Business Law
- ❖ Entity Formation
- ❖ Employment Law
- ❖ Mergers & Acquisitions
- ❖ Employment Document Audits

# Our Presenter



Paula Clarkson Chamberlain is a founding partner and head of Merhab Robinson & Clarkson's Estate Planning practice. She primarily practices in the areas of estate planning, probate, trust administration, and conservatorships.

# Let's get to cleaning!

Over time, even the most carefully designed plans can become outdated. As life changes, your estate plan should, too.

Today we will go over:

- Why estate plans naturally become outdated
- When you should review your plan
- Common issues we see during reviews
- How life changes affect established estate plans
- Practical steps to keep your plan organized and working

The goal is always to prevent surprises and protect your family.



# Ways Plans Can Become Outdated

## Laws Change

Estate planning operates within constantly evolving legal rules.

- Estate tax exemption amounts change
- State laws governing trusts and probate evolve
- Retirement account distribution rules are updated
- Healthcare and power-of-attorney statutes are revised

**Impact:** Documents written under prior laws may produce very different results today than originally intended.

## Financial Circumstances

Your assets rarely stay static. Common changes include:

- Purchasing or selling real estate
- Growth of investment portfolios
- Starting or selling a business
- Receiving an inheritance
- Retirement income changes

**Impact:** Distribution plans, tax strategies, and trust structures may no longer match your financial reality.

## Families Evolve

Family dynamics are one of the biggest drivers of needed updates, such as:

- Marriage or remarriage
- Divorce
- Birth or adoption of children
- Blended families
- Changes in relationships
- Beneficiaries developing special needs

**Impact:** Outdated provisions can unintentionally benefit or exclude the wrong people.

# Remember, your estate plan grows with you!

Your estate plan is not a “set it and forget it” document. It’s a living framework designed to grow and adapt with you.

Review your plan, title, and beneficiary designations annually.

Remember, your documents were drafted based on:

- Your life at that moment
- Current laws at that time
- Assets you owned then
- Relationships as they existed

All of these can change over time. It’s important to keep your estate plan in line with your current wishes.

MRC clients have an attorney review of their plan and funding at least every 3 years.



# Common Issues Found on Review

# Beneficiary Designations Don't Match the Plan

Many clients assume their trust controls everything, but assets like retirement plans transfer separately.

## Common Mismatches

- Retirement account names outdated beneficiaries
- Ex-spouses are still listed
- One child listed instead of all children
- Trust is intended as the beneficiary but an individual is still named
- Putting account in trust and also naming beneficiaries – No! It's one or the other.

It's important to remember that beneficiary designations override wills and trusts. When refreshing your estate plan, don't forget to update beneficiary designations as well.



# Don't Forget the Fiduciaries

The people you named many years ago may not longer be the right choice.

- Trustees can relocate or retire
- Executors age or face health issues
- Agents become too busy or unavailable
- Relationships change over time
- Children are now adults and ready to step in as back up

Administering your estate becomes difficult or conflicts can arise during already stressful moments. Make sure your chosen Trustees and Agents are the ones you trust the most.



# Asset Structures Can Change, Too

Even if total wealth stays similar, ownership structures can change. For example:

- Accounts opened after the trust was created
- Property refinanced and removed from trust title
- New retirement accounts added
- Digital assets accumulated
- Sold business

Assets may bypass your trust entirely if not appropriately addressed in your estate plan.



# Trust Funding – Retitling assets to Trust or Beneficiary Designation

## Assets Held in Trust

Title to these assets should be updated to reflect name of trust, i.e. Jane Doe, Trustee of the Doe Family Trust dated 1/1/26

- All real estate
- Financial accounts: Checking, Savings, Money Market, CD, Personal Investment accounts
- Personal Property
- Vehicles (Sometimes)
- Business Interests
- 529 Plans

## Assets Not Allowed To Be Titled In Trust

- Retirement Plans: 401(k), IRA, Roth IRA, 403(b), Pensions.
- HSA and Medical Savings Accounts
- Social Security Benefits
- Contract-restricted Assets

**Beneficiary Designation:** You may name your trust as beneficiary of these types of assets so they pass to your trust upon your death. Consult your attorney and tax advisor as there are tax consequences to doing so.

## Naming Trust as Beneficiary of Asset or Individual

Trust is named as beneficiary:  
The Doe Family Trust dated 1/1/26

- Retirement Plans: 401(k), IRA, Roth IRA, 403(b),
- Life Insurance
- POD accounts
- HAS and Medical Savings Accounts

## **When Naming Trust Makes Sense:**

- Minor beneficiaries
- Financially irresponsible
- Staggered distributions
- Creditor protect
- Liquidity to divide estate when there are non liquid assets

# Health Care Agents

Medical decisions are just as important as financial decisions.

Outdated healthcare directives could lead to ex-spouses or estranged relatives being the first in line to decide on your medical care in the event you become incapacitated.

Make sure your nominated Health Care Agents are still the people you trust the most.



# Steps to Keep Your Estate Plan Up To Date

- Regular Review Schedule
  - Review title to assets and beneficiary designations annually during tax time
    - Review asset list
    - Check beneficiaries
    - Confirm no major life changes
  - Professional Review: Take advantage of MRC 3-Year Review
  - Takes less than 30 minutes and save your family time and money when kept up to date
- Keep a Current Asset Inventory
  - Make a list of assets, title and beneficiary designations (Schedule A of Trust is a start).
  - Keep support for title in your estate planning binder, i.e. copies of deeds, copies of beneficiary designations, first page of each financial account showing title
  - Helps Trustee/POA if you are incapacitated
  - Toss old statements and old documents
- Review Fiduciaries Named
  - MRC Estate Planning Binder has Nomination Summary Page
  - Review annually to make sure they still fit

# Keep Your Plan Fresh

Estate plans don't usually fail because they were drafted poorly – they fail because they were never updated.

Most estate plans we review are not wrong, they're simply frozen in time. The law changed, the family changed, or the assets changed, but the documents stayed the same.

Estate planning works best when it is refreshed alongside your life.



# Spring Graduates

## Foundational Plan for Kids Turning 18:

- Power of Attorney for financial management
- Advanced Health Care Directive
- HIPAA Release

When your children turn 18 years old, they have rights and parents do not legally have right to access their medical or financial records or make financial or medical decisions if necessary.

## Necessity for Will and/or Trust

- CA Probate threshold is \$208,500
- Death with assets under that amount go to heirs at law
- POD/TOD are good options for smaller accounts

# Thank you!

## Any questions?

If you would like us to speak to an organization you belong to or your business, please let us know. We are always happy to educate people about their rights on estate planning.

# CONTACT US

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### **Trustee School – Administering the Trust After a Death**

Wednesday

April 15, 2026

12:00 PM Pacific