

- [What is Estate Planning?](#)
- [What is a Last Will and Testament or Will?](#)
- [What is the Federal Estate Tax Exemption Amount?](#)
- [What is the Federal Estate Tax Marital Deduction?](#)
- [What is a Bypass Trust or Credit Shelter Trust?](#)
- [What is a Qualified Domestic Trust or QDOT?](#)
- [What is a Durable Statutory Power of Attorney?](#)
- [What is a Medical Power of Attorney?](#)
- [What is a Directive to Physician or Living Will?](#)
- [What is a Declaration of Guardianship Form?](#)
- [What is a HIPAA Release?](#)
- [What is a Designation to Control the Disposition of Remains?](#)
- [What is a Declaration of Guardianship for a Minor Child Form?](#)
- [What is a Gift By A Living Donor Form?](#)
- [What is a Form to Donate Body to Medical Study?](#)
- [What is a Trust?](#)
- [What is a Revocable Living Trust?](#)
- [What is an Irrevocable Living Trust?](#)
- [What is an Education Trust?](#)
- [What is an Investment Trust?](#)
- [What is an S Corporation Trust?](#)
- [What is a Grandchildren's Generation Skipping Transfer Qualifying Trust?](#)
- [What is an Irrevocable Life Insurance Trust or ILIT?](#)
- [What is a Qualified Personal Residence Trust or QPRT?](#)
- [What is a Charitable Remainder Uni Trust or CRUT?](#)
- [What is a Charitable Remainder Annuity Trust or CRAT?](#)
- [What is a Grantor Retained Uni Trust or a GRUT?](#)
- [What is a Grantor Retained Annuity Trust or GRAT?](#)
- [What is a Family Limited Partnership?](#)
- [What is a Section 142 Trust?](#)
- [What is a Section 867 Management Trust?](#)
- [What is a Special Needs Trust?](#)
- [Why do you need an Estate Planning Attorney or an Estate Planning Lawyer?](#)
- [What are the fees and expenses associated with a Estate Planning?](#)

### **What is Estate Planning? (top)**

In Texas , Estate Planning is the process by which a client's current situation and circumstance of life is evaluated to determine what that client needs based upon the objectives that he or she would like to achieve and how to get there. Estate Planning's purpose, goals or objectives is to have a plan in place in order to allow for the peaceful and purposeful transition of an individual, either by death or disability. For example, if you pass away, will the right person represent your estate or will the right person(s) receive your estate? For example, if you become seriously injured or become very ill or become immediately disabled, because of your estate planning, you will have a plan in place to deal managing the financial, personal, and medical needs of your life while you are injured, sick or disabled.

### **What is a Last Will and Testament? (top)**

In Texas , a Last Will and Testament or Will is a document that can accomplish many goals regarding the disposition of your estate, caring for loved ones, and avoiding estate taxes. A Last Will and Testament is a document that becomes effective upon a client's death in order to accomplish important objectives regarding their estate, such as, estate tax planning to minimize estate taxes, naming of an Executor, setting up trusts for loved ones, and distributing their assets to those whom he or she wants to receive assets from their estate. A Last Will and Testament is the most basic tool in Estate Planning. Every person benefits from having a Last Will and Testament no matter what their circumstances are in life. The purpose of a Last Will and Testament is to ensure that the right person is administering your estate and that your estate is distributed to achieve your goals and your wishes.

### **What is the Federal Estate Tax Exemption Amount? (top)**

The Federal Estate Tax Exemption Amount is the federal estate tax provision that allows any person to give away at death as much as \$2,000,000.00 currently without generating any estate taxes or inheritance taxes. In Estate Planning, the Federal Estate Tax Exemption Amount is the federal estate tax provision that allows for large federal estate tax savings and is the driving force behind one of the most basic Estate Planning tools, the Bypass Trust or Credit Shelter Trust.

### **What is the Federal Estate Tax Marital Deduction? (top)**

The Federal Estate Tax Marital Deduction is the federal estate tax provision that allows one spouse to transfer an unlimited amount of their Estate property to the other spouse without incurring federal estate tax or federal gift tax. In Estate Planning, the Federal Estate Tax Marital Deduction is the federal estate tax provision that allows a spouse to leave everything to the surviving spouse without incurring any federal estate tax and is the provision used in estate planning to as one of the most basic Estate Planning tools, the reciprocal Sweetheart Wills or Mom and Pop Wills.

### **What is a Bypass Trust or a Credit Shelter Trust? (top)**

A Bypass Trust or a Credit Shelter Trust is an Estate Planning tool intended to help married couples in eliminating or reducing the amount of federal estate tax paid at the death of the surviving spouse. This testamentary trust uses the Exemption Amount of the first spouse to die instead of passing all of their Estate outright to the surviving spouse. This is the one of the most basic tools used in Estate Planning

in order to eliminate or reduce the amount of federal estate tax paid. The purpose of the Bypass Trust or Credit Shelter Trust is to either eliminate or reduce the amount of federal estate tax paid in order to pass more of an estate to your heirs.

**What is a Qualified Domestic Trust or QDOT? (top)**

A Qualified Domestic Trust or QDOT is an Estate Planning tool used when one spouse transfers property in a their estate into a testamentary trust for the benefit of non-citizen surviving spouse in order to postpone the federal estate tax until the death of the non-citizen spouse. This Estate Planning tool is essential for every marriage consisting of at least one non-citizen. The purpose of the Qualified Domestic Trust or QDOT is to allow a non-citizen surviving spouse to avoid payment of federal estate taxes on the estate of their spouse at the time of death of their spouse until the subsequent death of the non-citizen spouse, which allows the non-citizen spouse to continue to receive benefits from the estate of the spouse.

**What is a Durable Statutory Power of Attorney? (top)**

In Texas , a Durable Statutory Power of Attorney is the document that names the person(s) that have authority and specific powers to act on your behalf as your agent regarding your personal financial matters. The purpose of the Durable Statutory Power of Attorney is to allow others to act on your behalf regarding financial matters when you are unable to act for yourself.

**What is a Medical Power of Attorney? (top)**

In Texas , a Medical Power of Attorney is the document that names the person(s) that have authority and specific powers to act on your behalf as your agent regarding your personal medical matters when you are unable to act on your own behalf. The purpose of a Medical Power of Attorney is to have the right person making decisions for you regarding your medical care.

**What is a Directive to Physician or Living Will? (top)**

In Texas, a Directive to Physician or Living Will is the document that if a client is either in a terminal condition or irreversible condition, then the client can choose whether the client would like forego like sustaining treatment and only receive care to be able to pass away in as much comfort as possible. The purpose of the Directive to Physician or Living Will is so that the client can make the decision in either a terminal condition or irreversible condition so that a loved one does not have to make the decision to allow the client to pass away.

**What is a Declaration of Guardianship Form? (top)**

In Texas , a Declaration of Guardianship Form is the document that designates who a client would want to be named as your guardian of the person and estate. Just as important, the Declaration of Guardianship Form is the document in which you designate the people that you do not want to be named as your guardian of the person and estate.

**What is a HIPAA Release? (top)**

In Texas , a HIPAA Release is the document that allows the individuals named in the document to obtain information about your medical condition and financial circumstances under the new Health I P Account Act. The purpose of the HIPAA Release is to allow loved ones to talk to medical care providers and financial institutions to gain information about your current medical condition and financial circumstances.

**What is a Designation of Agent to Control the Disposition of Remains? (top)**

In Texas , a Designation of Agent to Control the Disposition of Remains is the document that allows an individual to name the person in charge of properly dispose of your remains according to your wishes. The purpose of the Designation of Agent to Control the Disposition of Remains is to name the person that you believe will follow your wishes on how you would like to be disposed and expressly state in writing those wishes.

**What is a Declaration of Guardianship for a Minor Child Form? (top)**

In Texas , a Declaration of Guardianship for a Minor Child Form is the document in which a person would state whom he or she would like to be named to serve as guardians for their minor children in the event that he or she passes away. The purpose this document is to instruct the Probate Court whom you wanted to be the guardian of your minor children after you pass away. The Probate Court gives great weight to this document, because the Probate Court believes that the parents of a child would know better than the Probate Court which guardian is best for their minor children.

**What is a Gift By A Living Donor Form? (top)**

In Texas , the Gift By A Living Donor Form is the document that allows you to designate that you want to designate that you want to donate your organs or other body parts. The purpose of the Gift By A Living Donor Form is to allow you to donate your organs or other body parts to others that may be in need or your working organs at the time of your death.

**What is a Form to Donate Body to Medical Study? (top)**

In Texas , the Form to Donate Body to Medical Study is the document that allows a person to donate their body to teaching and scientific study. The purpose of the Form to Donate Body to Medical Study is to encourage the education and research of the body, diseases, and effects of diseases in hope of finding a cure or see the results of a disease.

**What is a Trust? (top)**

In Texas , a Trust is a legal creation in which an individual gives property to a person or entity, known as the trustee, in a fiduciary capacity for the benefit of beneficiaries. The purpose of a Trust is to allow a person to give the benefits of property to beneficiaries without giving the beneficiaries total control over the property.

**What is a Revocable Living Trust? (top)**

In Texas , a Revocable Living Trust is a trust that can be revoked at anytime by the person that created the Revocable Living Trust. A Revocable Living Trust is an Estate Planning tool that allows a person's estate to avoid probate after he or she passes away. Another use of a Revocable Living Trust as an Estate Planning tool is to transfer out of state real property into the Revocable Living Trust in order to avoid probate in the state where the real property is located.

**What is an Irrevocable Living Trust? (top)**

An Irrevocable Living Trust is a trust that can never be revoked by the person that created the Irrevocable Living Trust. An Irrevocable Living Trust is used primarily to remove assets from the Estate primarily to eliminate or reduce federal estate taxes in the future. The purpose of the Irrevocable Living Trust is for a person to permanently divest control of some or all his or her property while at the same time setting controls on how the property will be distributed to the beneficiaries.

**What is an Education Trust? (top)**

An Education Trust is a trust in which a person can make gifts to the trust for the benefit of their descendants' education and also remove the assets from their estate to eliminate or reduce federal estate taxes in the future. The purpose of the Education Trust is for a person to make gifts to help fund the education of loved ones while at the same time removing assets from their estate.

**What is an Investment Trust? (top)**

An Investment Trust is a trust in which a person can make gifts to the trust for the benefit of their descendants and also remove the assets from their estate to eliminate or reduce federal estate taxes in the future. The purpose of the Education Trust is for a person to make controlled gifts to the trust while at the same time removing assets from their estate.

**What is an S Corporation Trust? (top)**

An S Corporation Trust is a trust in which a person can make gifts of S Corporation stock to the trust for the benefit of their descendants and thereby remove the assets from their estate to eliminate or reduce federal estate taxes in the future. The purpose of the S Corporation Trust is for a person to make gifts of S Corporation stock to loved ones while at the same time removing assets from their estate.

**What is a Grandchildren's Generation Skipping Transfer Qualifying Trust? (top)**

A Grandchildren's Generation Skipping Transfer Qualifying Trust is a trust in which a person can make gifts to the trust for the benefit of their grandchildren and thereby remove the assets from their estates to eliminate or reduce federal estate taxes in the future. The purpose of the Grandchildren's Generation Skipping Transfer Qualifying Trust is for a person to make gifts to their grandchildren while at the same time removing assets from their estate.

**What is an Irrevocable Life Insurance Trust or ILIT? (top)**

An Irrevocable Life Insurance Trust is a trust in which a person can make gifts of life insurance proceeds to the trust for the benefit of their descendants and also remove the life insurance proceeds from their estate to eliminate or reduce federal estate taxes in the future. An Irrevocable Life Insurance Trust is a basic tool in Estate Planning. The purpose of the Irrevocable Life Insurance Trust is for a person to make gifts to the trust of life insurance proceeds while at the same time removing the life insurance proceeds from their estate.

**What is a Qualified Personal Residence Trust or QPRT? (top)**

A Qualified Personal Residence Trust or QPRT is a trust in which a person can give their home or two homes to the trust, which would remove the home(s) from their estate to eliminate or reduce federal estate taxes in the future, in exchange for the right to live their for a term of years. The purpose of the Qualified Personal Residence Trust or QPRT is for a person to make gifts to the trust of their residence while at the same time removing their residence from their estate.

**What is a Charitable Remainder Uni Trust or CRUT? (top)**

A Charitable Remainder Uni Trust or CRUT is a trust in which a person can obtain an income tax charitable contribution deduction for the value of property given to the trust while receiving unitrust payments from the trust for a period of time. The initial benefit is given to the person creating the Charitable Remainder Uni Trust or CRUT and the subsequent benefit is given to one or more charities. The purpose of the Charitable Remainder Uni Trust or CRUT is for a person to give ultimately a charitable gift to a charity while in the receiving the benefit of unitrust payments from the charitable gift given.

**What is a Charitable Remainder Annuity Trust or CRAT? (top)**

A Charitable Remainder Annuity Trust or CRAT is a trust in which a person can obtain an income tax charitable contribution deduction for the value of property given to the trust while receiving annuity payments from the trust for a period of time. The initial benefit is given to the person creating the Charitable Remainder Annuity Trust or CRAT and the subsequent benefit is given to one or more charities. The purpose of the Charitable Remainder Annuity Trust or CRAT is for a person to give ultimately a charitable gift to a charity while in the receiving the benefit of annuity payments from the charitable gift given.

**What is a Grantor Retained Uni Trust or a GRUT? (top)**

A Grantor Retained Uni Trust or GRUT is a trust in which a person makes gifts to the trust for the ultimate benefit of their loved ones while receiving the benefit of unitrust payments from the trust for a period of time. The initial benefit is given to the person creating the Grantor Retained Uni Trust or GRUT in unitrust payments and the subsequent benefit is given to loved ones as the ultimate beneficiaries of the trust. The purpose of the Grantor Retained Uni Trust or GRUT is for a person to ultimately give an appreciating gift to their loved ones while in the receiving the benefit of unitrust payments from the gift given.

**What is a Grantor Retained Annuity Trust or GRAT? (top)**

A Grantor Retained Annuity Trust or GRAT is a trust in which a person makes gifts to the trust for the ultimate benefit of their loved ones while receiving the benefit of annuity payments from the trust for a period of time. The initial benefit is given to the person creating the Grantor Retained Annuity Trust or GRAT in annuity payments and the subsequent benefit is given to loved ones as the ultimate beneficiaries of the trust. The purpose of the Grantor Retained Annuity Trust or GRAT is for a person to ultimately give an appreciating gift to their loved ones while in the receiving the benefit of annuity payments from the gift given.

**What is a Family Limited Partnership? (top)**

A Family Limited Partnership is a limited partnership in which various investments owned by family members are managed by general partner(s) family members for the benefit of all of the family members. A Family Limited Partnership allows family members to contribute investments to the Family Limited Partnership in exchange for ownership interest in the Family Limited Partnership. The purpose of a Family Limited Partnership is to allow for federal estate tax discounts on the ownership interest of the Family Limited Partnership upon the passing of family members.

**What is a Section 142 Trust? (top)**

A Section 142 Trust is a trust created to administer the property of a beneficiary and is approved by a Court with proper jurisdiction. The purpose of a Section 142 Trust is to create a trust to administer the property of a beneficiary instead of having a guardianship opened to administer the same property.

**What is a Section 867 Management Trust? (top)**

A Section 867 Management Trust is a trust created to administer the property of a beneficiary and is approved by a Court with proper jurisdiction. The purpose of a Section 867 Management Trust is to create a trust to administer the property of a beneficiary instead of having a guardianship opened to administer the same property.

**What is a Special Needs Trust? (top)**

A Special Needs Trust is a trust in which a person can make gifts for the benefit of a loved one who is on public assistance benefits. The purpose of the Special Needs Trust is to allow a person to make gifts to a trust for the benefit of a loved one while at the same time preserving the public assistance benefits for the loved one.

**Why do you need an Estate Planning Attorney or an Estate Planning Lawyer? (top)**

In Texas , an Estate Planning Attorney or Estate Planning Lawyer is hired, retained and paid in order to assist a client to ensure that their estate plan causes their estate to be administered and distributed to achieve their personal and financial goals. An Estate Planning Attorney or Estate Planning Lawyer advises their client to ensure that their assets are distributed to the right people, that their assets are being distributed by the right person, and that their goals are achieved regarding their estate after their death. In an attempt to be very honest and not to scare you, the process of estate planning can be extremely technical and overly burdensome, if you do not have the advice and assistance of an Estate

Planning Attorney or Estate Planning Lawyer. Munson Penner, LLP, is a group estate planning attorneys or estate planning lawyers and legal staff that can advise and assist you through this very technical and difficult process. Munson Penner, LLP, currently has two offices, one in The Woodlands, Texas ( Montgomery County ) and Houston , Texas ( Harris County ), and is serving all counties in Texas .

**What are the fees and expenses associated with Estate Planning? (top)**

In Texas , the average cost of estate planning for a single person without taxable estate is anywhere from \$750.00 to \$2,000.00. A single person without a taxable estate can expect to receive at least a Last Will and Testament, a Statutory Durable Power of Attorney, a Medical Power of Attorney, a Directive to Physician or Living Will, a Declaration of Guardianship Form, a HIPAA Release, a Designation to Control the Disposition of Remains, and a Declaration of Guardianship for a Minor Child Form, if necessary. All of these documents are standard and necessary for citizens of Texas . In Texas, the average cost of estate planning for a couple without a taxable estate is anywhere from \$1,500.00 to \$3,000.00 and includes a a Last Will and Testament, a Statutory Durable Power of Attorney, a Medical Power of Attorney, a Directive to Physician or Living Will, a Declaration of Guardianship Form, a HIPAA Release, a Designation to Control the Disposition of Remains, and a Declaration of Guardianship for a Minor Child Form, if necessary, for both spouses. In Texas , the average cost of estate planning for a single person with a taxable estate begins at \$2,000.00 and can cost as much at \$10,000.00. A single person with a taxable estate can expect to receive at least a tax planned Last Will and Testament, a Statutory Durable Power of Attorney, a Medical Power of Attorney, a Directive to Physician or Living Will, a Declaration of Guardianship Form, a HIPAA Release, a Designation to Control the Disposition of Remains, a Declaration of Guardianship for a Minor Child Form, if necessary, and other estate planning documents listed above on this web page. In Texas , the average cost of estate planning for a couple with a taxable estate begins at \$3,000.00 and can cost as much at \$20,000.00. A couple with a taxable estate can expect to receive at least a tax planned Last Will and Testament, a Statutory Durable Power of Attorney, a Medical Power of Attorney, a Directive to Physician or Living Will, a Declaration of Guardianship Form, a HIPAA Release, a Designation to Control the Disposition of Remains, a Declaration of Guardianship for a Minor Child Form, if necessary, and other estate planning documents listed above on this web page. A majority of legal fees and expenses in Estate Planning are flat fees that can be paid as work progresses. It is customary for the client to provide a retainer to the estate planning attorney at the begin of the planning process and continue to make retainer payments while progressing through the planning process.