



Wealth Management™ **2021**
Market Outlook

Uncertain Times Bring Planning to the Forefront

By Jennifer Jones

HUNTINGTON PRIVATE BANK

Uncertain times give rise to increased attention to one's personal affairs and planning, no matter their current circumstances. The global pandemic and economic uncertainty in the last several months have been a driving force for clients to draft their first estate plans or dust off the plans that may have been drafted a decade ago. And the current tax landscape has been the impetus for many to consider more complex planning strategies to maximize benefits for their children and grandchildren.

Incapacity planning has been on the minds of many due to complications that may arise from COVID-19. Many millennials have found themselves living alone or with a non-spouse partner far from extended family during a time when a health crisis may lie just around the corner. This scenario raises specific questions that need to be considered: Who will take care of my day-to-day finances if I am unable? What if family members are unable to travel to my physical location in a time of crisis? What if I can't make medical decisions for myself? The importance of having a concrete plan in place extends beyond the need to name beneficiaries of real and personal property or the guardianship of children, which become driving forces in the planning process as life progresses.

Others who dutifully executed their first plans when they had young families should consider updating those plans now that their children are older. Perhaps the trustee, executor or guardian named in the document has reached an age that he or she may not be willing to serve in that capacity. Or, perhaps the named representative has moved across the country for his or her career or has competing family dynamics that would make it impractical to serve in an unexpected time of need. Now may be the time to consider the continuity and expertise provided by a professional trustee.

Economic and political uncertainty has also created planning opportunities, particularly for wealth transfer strategies from one generation to the next. The Tax Cuts and Jobs Act of 2017 temporarily increased the federal gift and estate tax exemptions to historic levels. In 2020, the lifetime exemption for an individual is \$11.58 million. These exemption levels are set to sunset in 2026 but could be modified before then by an act of Congress. That's why there is increased attention being given to various estate-



planning strategies for those who can maximize the current exemption and transfer wealth to younger generations.

No matter what stage of life people are in, there is good reason to start a conversation with your client as to their planning needs. What may seem simple to some can be overwhelming to others. Yet, the result of good planning brings peace of mind to your client and loved ones, as well. When more complex planning is needed, the time to begin the conversation is now, instead of waiting until there is a looming deadline and a need to rush the process. The value these discussions bring to our relationships with clients is essential to their overall financial and personal well-being. ■

Jennifer Jones is Senior Vice President and Personal Trust National Practice Lead for Huntington Private Bank, where she oversees the modern fiduciary practice strategy for the personal trust business.

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