DAVIES WEALTH MANAGEMENT

Estate Planning Essentials: What Every Florida Family Needs

The 9 documents, 5 strategies, and 3 Florida-specific protections that safeguard your family's financial future.

Davies Wealth Management

Fee-Only Fiduciary | Stuart, Florida

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The 9 Documents Every Florida Family Needs

Estate planning isn't about death — it's about control. Control over who makes decisions if you can't, where your assets go, and how your family is protected. These 9 documents form the foundation.

1. Last Will and Testament

Names your personal representative (executor), designates guardians for minor children, directs distribution of assets not in a trust, and must be executed with two witnesses (Florida requirement — no notarization alone).

2. Revocable Living Trust

Avoids probate (which is public in Florida), provides seamless management if you become incapacitated, allows detailed distribution instructions (age restrictions, conditions), and can be amended during your lifetime. The most powerful tool in Florida estate planning.

3. Durable Power of Attorney

Authorizes someone to manage your finances if you can't — paying bills, managing investments, filing taxes. Florida requires specific "super powers" language for certain actions (gifting, creating trusts, changing beneficiaries). Must be signed with two witnesses AND notarized.

4. Healthcare Surrogate Designation

Names who makes medical decisions if you're unable to. Different from a living will — this covers ALL medical decisions, not just end-of-life. Choose someone who understands your values and can make difficult decisions under pressure.

5. Living Will (Advance Directive)

States your wishes for end-of-life care — life-prolonging procedures, artificial nutrition, pain management. Removes the burden of these decisions from your family during their most difficult moments.

6. HIPAA Authorization

Grants named individuals access to your medical information. Without it, healthcare providers can't share information with your family — even in an emergency.

7. Beneficiary Designations

On IRAs, 401(k)s, life insurance, and annuities. These override your will and trust — making them the most important estate planning document most people ignore.

8. Property Deed Review

How your home is titled matters enormously in Florida. Tenancy by entireties (married couples) provides creditor protection. Incorrect titling can accidentally remove homestead protection.

9. Digital Estate Plan

Passwords, online accounts, cryptocurrency keys, social media. A digital estate plan ensures nothing is lost or inaccessible. Florida's Fiduciary Access to Digital Assets Act governs this area.

3 Florida Protections You Should Know About

Florida offers some of the strongest asset protection laws in the country. Understanding these can save your family hundreds of thousands — or more.

1. Unlimited Homestead Creditor Protection

Florida's homestead protection is among the strongest in the nation. Your primary residence is protected from forced sale by most creditors — regardless of value. A $5M home has the same protection as a $200K home. This protection is constitutional (Article X, Section 4) and cannot be reduced by legislation.

> **WHAT HOMESTEAD DOESN'T PROTECT AGAINST**
>
> Property taxes, mortgages/home equity loans, mechanics' liens for work on the property, and homeowner association assessments. It also doesn't apply to investment or rental properties.

2. Tenancy by the Entireties

When married couples own assets as "tenants by the entireties" (available for real estate, bank accounts, and some other assets in Florida), the asset is protected from the individual

creditors of either spouse. A judgment against one spouse cannot reach jointly-held TBE property.

3. No State Estate Tax

Florida has no state estate tax, no state inheritance tax, and no state gift tax. For high-net-worth families, this can save millions compared to states like Massachusetts (exemption: $2M), Oregon (exemption: $1M), or New York (exemption: $6.94M).

STATE	ESTATE TAX EXEMPTION	TOP RATE	POTENTIAL TAX ON $10M ESTATE
Florida	N/A (no state estate tax)	0%	$0
Massachusetts	$2,000,000	16%	~$920,000
New York	$6,940,000	16%	~$490,000
Oregon	$1,000,000	16%	~$1,200,000
Washington	$2,193,000	20%	~$1,400,000

Estimates based on 2025 state estate tax rates and exemptions. Federal estate tax applies separately. Consult a qualified estate planning attorney for accurate projections.

THE FEDERAL EXEMPTION CLIFF

The federal estate tax exemption is currently $13.99M per person ($27.98M per married couple) in 2025. This is scheduled to drop to approximately $7M per person after December 31, 2025, unless Congress acts. If your estate is between $7M and $14M, planning NOW — before the exemption potentially halves — could save your family millions in federal estate taxes.

5 Estate Planning Strategies for HNW Families

Beyond the essential documents, these strategies help high-net-worth Florida families minimize taxes, protect assets, and transfer wealth efficiently.

1 **Irrevocable Life Insurance Trust (ILIT)**

Removes life insurance proceeds from your taxable estate. A $5M policy owned by you adds $5M to your estate — potentially triggering estate tax. An ILIT owns the policy instead, keeping the proceeds outside your estate while providing tax-free liquidity for your heirs to pay estate taxes, debts, and expenses.

2

Grantor Retained Annuity Trust (GRAT)

Transfer appreciation on assets to heirs with minimal or zero gift tax. You place assets in a trust, receive annuity payments for a set term, and whatever remains goes to beneficiaries tax-free. Most effective with assets expected to appreciate significantly (concentrated stock positions, pre-IPO shares).

3

Qualified Personal Residence Trust (QPRT)

Transfer your home to heirs at a deeply discounted gift tax value. You live in the home for a set number of years, then it passes to your children. Florida's homestead rules interact with QPRTs — work with a Florida estate attorney who understands both.

4

Family Limited Partnership (FLP) / LLC

Pool family assets (investments, real estate, business interests) into a partnership or LLC. Transfer limited partnership interests to heirs at a valuation discount (typically 15-35% for lack of control and lack of marketability). Provides asset protection and consolidated management.

5

Charitable Remainder Trust (CRT)

Donate appreciated assets, receive income for life (or a set term), and pass the remainder to charity. Provides an immediate charitable deduction, avoids capital gains on the donated asset, generates income, and reduces your taxable estate. Pairs well with an ILIT to replace the donated asset value for heirs.

WHEN DO YOU NEED ADVANCED STRATEGIES?

If your combined estate (both spouses) exceeds $7M — the potential post-2025 federal exemption — you should evaluate advanced strategies now. If your estate exceeds $14M, advanced planning is essential to avoid significant federal estate tax (40% on amounts above the exemption).

Estate Planning Checklist for Florida Families

Print this page. Check each item as you complete it. Review annually — estate plans are living documents that should evolve with your family.

Essential Documents

- ☐ Last Will and Testament (Florida-valid, 2 witnesses)
- ☐ Revocable Living Trust
- ☐ Durable Power of Attorney (with "super powers")
- ☐ Healthcare Surrogate Designation
- ☐ Living Will / Advance Directive
- ☐ HIPAA Authorization
- ☐ All beneficiary designations reviewed and current
- ☐ Property deeds reviewed (homestead, titling)
- ☐ Digital estate plan (passwords, accounts, crypto)

Florida-Specific Items

- ☐ Homestead exemption filed (by March 1)
- ☐ Property titled correctly (TBE for married couples)
- ☐ Declaration of Domicile filed (if relocated)
- ☐ Florida driver's license and voter registration
- ☐ Former state estate plan updated for FL law

For HNW Families ($5M+ Estate)

- ☐ Federal estate tax exposure calculated
- ☐ Impact of potential 2026 exemption reduction assessed
- ☐ Irrevocable Life Insurance Trust (ILIT) evaluated
- ☐ Gifting strategy reviewed ($18K annual exclusion)
- ☐ Charitable giving strategy in place
- ☐ Business succession plan documented
- ☐ Family meeting about estate plan (age-appropriate)

Annual Review Items

- ☐ All beneficiary designations still correct?
- ☐ Any births, deaths, marriages, divorces?
- ☐ Any significant change in net worth?
- ☐ Any change in state or federal tax law?
- ☐ Trustees and agents still appropriate?
- ☐ Insurance coverage still adequate?
- ☐ Digital estate plan updated?

THE MOST DANGEROUS ESTATE PLAN

The most dangerous estate plan isn't a bad one — it's an outdated one. A plan created 10 years ago in another state, with ex-spouses as beneficiaries, deceased trustees, and pre-tax-law-change strategies, can cause more harm than having no plan at all. Review annually. Update as life changes.

Your Family Deserves a Complete Plan

Schedule a complimentary estate planning review. We'll identify gaps in your current plan, evaluate Florida-specific opportunities, and connect you with trusted estate attorneys on the Treasure Coast.

Schedule Your Free Consultation

tdwealth.net/contact

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