



SUCCESSION PLANNING & ASSET PROTECTION FAQs

Why do I need Asset Protection?

You have probably worked hard for the majority of your life. You have accumulated assets that, one day, will be passed to your loved ones upon your death. Asset Protection involves putting together the appropriate legal structure to shield these assets from:

- potential legal action;
- claims from creditors;
- marriage breakdowns; and
- bankruptcy (just to name a few!)

You MUST ensure you have the right structures in place so you can be certain what you've worked hard to accumulate is fully protected.

Thinking "this won't happen to me..."? Think again!

Here are a few examples that demonstrate the importance of Asset Protection:

My son is getting married, but I'm hesitant about the future of their relationship. How can I make it so that his wife does not inherit any of my estate when I die?

Or

My wife may remarry after my death. I don't want her new husband to have the benefit of my estate. How can I ensure only my wife and my kids get the benefit of all my hard work?

At Georgiadis Lawyers we can assist you in preparing your Will with this in mind. We can draft your Will in such a way that enables your son to gain the benefit of your life's hard work, but that these assets not be part of the marital asset pool and not be available for distribution, should their marriage breakdown.

I operate a family business with my 3 sons. What is the best way to give them control of the business if something unexpected happens to me or I decide to retire?

This is fundamentally about control. At Georgiadis Lawyers, we can advise you on the most appropriate business structures to be put in place, so that an orderly and smooth transition can

occur, when a key person in control voluntarily or involuntarily departs the business. We recognize the importance of keeping the business running in an effective manner when the unexpected occurs. We can help you through this process, so as to have minimal disruption to the business.

I have insurance. Do I still need Asset Protection?

Yes. Whilst it is important to have insurance, your policy may not cover all claims. For example, your particular conduct may mean that your insurance company won't indemnify you, or a claim against you may exceed the amount of insurance cover you may have. Asset Protection strengthens your "safety net".

I don't want my beneficiaries to be paying a large amount of tax when they inherit in my estate. Can you help with this?

Yes. At Georgiadis Lawyers, we can advise you as to the best way to structure your Will so that your beneficiaries aren't left with a large tax liability. This is one of the main advantages of having a Will drafted by a Lawyer. Specific Trusts can be prepared, as a part of your Will, so that the beneficiaries can retain as much of the assets as possible.

I find that I'm paying an unfairly high amount of tax. Is trying to reduce my tax liability legal?

Yes. Tax minimisation is entirely lawful, when done in the appropriate way. Kerry Packer said in 1991,

"I am not evading tax in any way, shape or form. Now of course I am minimizing my tax and if anybody in this country doesn't minimize their tax they want their heads read, because as a government I can tell you you're not spending it that well that we should be donating extra."

Georgiadis Lawyers can assist you arrange your structures in the most tax effective way.

Disclaimer

The information in this article is not to be relied upon for the purposes of legal advice. It is general information only. If you require specific legal advice in relation to your matter, please call Georgiadis Lawyers on 8231 5255 to make an appointment.