



SINGER WEALTH

Keith Singer, JD CFP™

Asset protection

Those who have accumulated wealth are often viewed by others as the solution to their own financial problems. Because we are living in a very litigious society, it may be wise to position one's assets in such a way as they are protected from claims of future potential creditors.

Lawsuits can be initiated because of auto negligence, premises liability, a contractual dispute, or even a tort like slander or intentional infliction of emotional distress.

There are legal ways to protect yourself from lawsuits.

Having the proper amount of liability insurance is important. However, there are ways to position your assets so they are protected from lawsuits.

Florida has very robust asset protection statutes. In Florida one's homestead is generally protected from claims of creditors as are IRA (Individual Retirement Accounts) and pension plans.

Also, under F.S. 222.14, the cash value of annuities and life insurance contracts are protected from claims of creditors and are exempt assets in Florida bankruptcy. That means you could create an unlimited amount of wealth that no one can take away from you even while maintaining full

Keith Singer Singer Wealth Advisors

Location: 1515 S. Federal Highway,
#211, Boca Raton, FL 33432

Phone: 561-998-9985

Website: www.singerwealth.com

Email: Keith@singerwealth.com

control over those assets.

Another way to potentially protect one's assets from creditors is by placing assets into an irrevocable trust. The reason those assets are protected from your creditors is because they no longer belong to you. That could be problematic for those who like to maintain full control over their assets.

One potential solution is the use of a Spousal Lifetime Access Trust (SLAT), which allows one's spouse to take distributions from the trust and even share the distribution with their spouse. Of course, this requires a good amount of trust in your spouse, or your spouse must trust you if they are the grantor. However, some states like Nevada and Delaware allow the grantor to be a beneficiary of their irrevocable trust and still have the trust assets beyond the reach of creditor claims. In that case you would typically need a local professional trustee to assist with administration.