



Your Advisors Should Be Asking You the Tough Questions

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To learn more, contact Paul Katz to schedule a complimentary consult.

Be honest when you meet with any of your advisors – lawyer, accountant or insurance agent. If you can't be then find someone who will be impartial to help you overcome this.

Some things to ponder (i.e.: tough questions you should ask if your advisors aren't asking you).

Are you aware of the various risks when looking at your planning processes? What you do today could have a negative impact on long-term objectives. Failure to look at what can happen if you are only doing short-term planning could possibly create a myriad of other problems (such as ownership and succession planning which are most often overlooked).

Have you considered the long-term effects of planning?

- An attorney is trained to look at a snap shot of your current financial situation based on limited information.
- Your accountant looks at immediate risk-and-reward but it may be temporary, perhaps only a year or two.
- An insurance advisor may only sell the "most competitive term insurance," but what happens if your health adversely changes and future insurance needs may not be served by an available product?

Have you ever considered the lack of opportunity to make up any funding shortfalls:

- Due to a short-term disability, or;
- Long-term critical or chronic illnesses?

Have you ever considered the missed opportunity of not exploring qualified or non-qualified tax deductible funding vehicle(s) that could provide an all-encompassing solution to current, as well as long-term needs?

Have you considered the impact of miscalculating anticipated expenditures?

Have you examined the projected value of current assets at a target date for special needs funding?

Have you truly explored the possible uses of insurance for managing risk?

Perhaps you are unaware that risk management addresses the options of providing coverage for the uncontrolled contingencies of health, death, natural disasters and any loss of assets.



There are two core components of financial planning:

1. Asset management
2. Risk management

Are you aware of the human life value approach versus the capital needs approach?

Did you ever question your advisors as to why your business (for tax purposes) was set-up as a C-Corporation, Sub-S Corporation or LLC?

Have you ever explored the opportunity of discriminatory funding of tax deferral?

Have you really addressed the methods and perhaps opportunities to retain key employees or attract potential employees with minimum capital expenditures?

Are you really taking advantage of all the tax-favored funding mechanisms available to your business?

Do you ever wonder if your good buddy has really done his or her job in looking at the total picture or do they simply “take the order” from you?

Have you considered that your long-time advisor may not be current on the latest changes in law and ultimately may be exposing you to over-paying for current benefits?

Have you really been asked the hard, probing questions that need to be asked but may create uncomfortable situations?

Do you understand the concepts of discounted dollars and compounding effects?

These are just a few of the tough questions you should be answering these days. Remember to be forthright and open when you meet with advisors. If you need an “honest broker” to be impartial and non-judgmental, help from LifeAuditors is just a phone call or click away.

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