

## Stay in Charge

### **Q. What is a power of attorney?**

**A.** A power of attorney is a document appointing someone to handle your affairs if you cannot. Say you're planning a trip and will be away for 30 days. Several legal or financial matters may be pending. You would sign a power of attorney naming, say, your brother as your "attorney-in-fact" or "agent" to act in your absence.

Matters typically covered using a power of attorney include handling banking and securities transactions, entering into contracts, filing tax returns and buying or selling real estate. You most likely would revoke it once you returned home and could resume managing your affairs.

A durable power of attorney contains a special provision allowing your agent to make decisions for you if you become mentally incompetent and can't act on your own. It would stay in effect for as long as there are decisions to be made — or until you regain your mental faculties.

### **Q. What is the difference between a will and a living will?**

**A.** A will only takes effect after your death — distributing your assets according to your wishes and naming someone a guardian for any minor children. A living will takes effect while you are still alive, spelling out the medical treatment you want and don't want should you become incapacitated and unable to make your wishes known. It also states whether or not you want life-prolonging procedures performed on you.

There are many names for such a document, depending on the state in which you live. It might be called a living will, a health care power of attorney, or an advance directive.

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