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## What Is The Durable Power Of Attorney For?

Imagine the next time you join a discussion about Power Of Attorney. When you start sharing the fascinating Power Of Attorney facts below, your friends will be absolutely amazed.

The power of attorney is a legal document that authorizes a person or organization to act on financial and business matters affairs of a person referred to as the principal. The person or organization that receives authority is called the agent or the attorney-in-fact.

The durable power of attorney is called such, since the attorney-in-fact would continue to have authority and act on behalf of the principal, even if the principal becomes incapacitated. Though the durable power of attorney has such characteristic, it is still important for the document to state that it would remain valid even if the principal becomes incapacitated or disabled.

The durable power of attorney can be useful in situations when the principal is seriously ill, disabled, and if their property is modest but do not need setting up fund trusts or guardianship. This is also favourable for married couples whose account is joined.

The durable power of attorney is also referred to as the health care power of attorney. In many situations, the health care power of attorney is different from the agent who would oversee financial and business matters. The attorney-in-fact who is given the durable power of attorney is required to make decisions related to the principal's health like stopping life support or performing surgery.

Laws on how the power of attorney should be created are different on each state. For example, in South Carolina, the preparation for the power of attorney is the same as preparing for a will. In California, notarization in the documents is important but this may not be the case in some states. This is why it is important to have knowledge on legal matters and employ legal assistance when making the document.

A possible problem with the durable power of attorney is that the principal may not want the attorney-in-fact to take specific liberties. The principal could specify in the document what specific decisions the durable power of attorney can make. Aside from that, the document could specify that the durable power of attorney could take effect in the event the principal becomes disabled.

The durable power of attorney could cover different decisions and responsibilities, aside from health care decisions, like:

- Providing gifts which can play a major part in estate tax planning.

The best time to learn about Power Of Attorney is before you're in the thick of things. Wise readers will keep reading to earn some valuable Power Of Attorney experience while it's still free.

- Accessing safe-deposit boxes.
- Signing tax returns, IRS documents, and settling tax disputes.
- Pursuing legal matters or litigation on behalf of the principal.
- Collecting benefits from health and other insurances on behalf of the principal.
- Setting up or amending trust funds.
- Revoking the power of attorney.

Laws covering the power of attorney vary in each state. For example, if the attorney-in-fact is the spouse and they get a divorce, the power of attorney is terminated. The court may also rule the document to be invalid, especially if the principal is proven to be incompetent when the document was signed. The principal could also revoke it, as long as he is mentally sound.

The power of attorney could also be terminated if the attorney-in-fact becomes incompetent, unavailable or dies. To avoid problems, the principal could identify an alternate attorney-in-fact and state it in the document. Make sure to identify the situations when the alternate would take responsibility.

Of course, it's impossible to put everything about Power Of Attorney into just one article. But you can't deny that you've just added to your understanding about Power Of Attorney, and that's time well spent.

About the Author

By Anders Eriksson, feel free to visit his Perpetual20 training site for great bonuses: [Perpetual20](#)

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