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## Considering Becoming A Florida Resident? Cut Those Ties To New Jersey

September 13, 2010 by [Deirdre Wheatley-Liss](#)



**Truth** - New Jersey is the most expensive state to die in. **Consequence** - A great estate planning technique is to not be a New Jersey resident when you die.

Many people have second homes in Florida and say "well, I'll just become a Florida resident." While this is a great idea, it is not always so simple to carry out. Guest blogger [Steven A. Loeb, Esq.](#) points out below that there are threshold requirements to becoming a Florida resident. If you don't carefully meet the Florida requirements, and you continue to maintain a presence here in New Jersey (ie: you still have a home here) then you run the risk of New Jersey claiming you are still a resident of the lovely garden state, and thus subject to its tax scheme upon death. New Jersey has an state estate tax with a \$675,000 threshold, Florida has no estate tax - **so getting Florida residency right has real bottom dollar consequences.**

In today's legal environment, the question of an individual's state of residency can be quite important in determining tax implications, both while the individual is alive and upon their death. Each state where an individual resided and owned property upon his/her date of death will make its own determination regarding the decedent's domicile (i.e. a legal term having a meaning of residing in that state with an intent to remain indefinitely).

Often, **an individual wishes to relocate to Florida in order to take advantage of many of the tax favorable statutes in that state.** However, many times problems arise when the relocated individual maintains significant contacts with the former state, which creates doubts as to whether residency was changed to Florida.

There are several steps you can take to clarify that you have in fact become a Florida resident in case a tax return is audited by your former state claiming that the state of residency was not changed and there is an attempt to subject the entire estate to tax in the former state.

### Steps in Becoming a Florida Resident

- 1) File a Declaration of Domicile in the Town Clerk's office in the county of residence;
- 2) Register to vote in Florida and actually take the time to vote in elections;
- 3) Be physically present in the state of Florida on average for 8 months out of each year (at least 6 months and 1 day);
- 4) Change your primary care physician and all additional physicians to the state of Florida;



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- 5) Have all prescriptions transferred to a pharmacy in the state of Florida;
- 6) Register your car in Florida and obtain a Florida driver's license. and notify your insurance carrier that you are now a Florida resident;
- 7) File Income Tax Returns as a Florida resident;
- 8) Purchase or rent a house or condominium in Florida and actually move into that location;
- 9) Transfer primary bank accounts to a Florida bank: and
- 10) Draft a Last Will and Testament, Power of Attorney. and Living Will/Health Care Directive stating that you are in fact a Florida resident.

These are just some of the necessary action items to consider when relocating to Florida. In order for the taxing authority of your state to not challenge your domicile/residence either during your lifetime and upon your death, it is important to consider the above information when relocating, as well as to get professional advise about your personal circumstances.

Deirdre's note - A great blog about Florida Law issues can be found at [South Florida Estate Planning Law](#) authored by my colleague David Shulman.

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