

## National Regifting Day: Invite Your Clients to Give the Gift of a Well-Planned Future

During the holidays, we usually receive at least one gift that, let's face it, falls a bit flat.

When we were young, it might have been an itchy sweater from Grandma or a toy from Mom and Dad that we had outgrown. As adults, maybe someone got your clothing size wrong or misjudged your taste in jewelry, or you ended up with a regrettable White Elephant exchange gift.

You could be honest with the gift giver and request a return or an exchange, but you do not want to hurt their feelings. So you act happy and surprised, though you already know the gift is bound for a box in the basement or a future trip to Goodwill. Then you think of someone who would like it, and a plot is hatched: the regift.

National Regifting Day takes place on the Thursday before Christmas and celebrates giving an unwanted gift to someone else—especially at holiday office parties—as a way to promote sustainability and mindful consumption.<sup>1</sup> Observers of the day follow a few simple rules: do not regift the item to the original giver, do not regift something handmade or personalized, and always rewrap it thoughtfully.

While National Regifting Day is lighthearted, it also reminds us of the value of intentional giving and the importance of considering not only what we give but how it will be received.

It is a message advisors can extend to clients around the holidays as well. In estate planning, some “gifts” can be regifted, revised, or exchanged over time, while others, once given, are final. The key is knowing the difference and ensuring that clients have left a kind of “receipt in the bag” in case an exchange becomes necessary and the “return window” is still open.

### Regifiable Assets: What Clients Can Update While They Are Alive

Some parts of an estate plan remain flexible during a client's lifetime as long as they have capacity. Think of these as the “regifiable” elements: the ones that can be updated or redirected as circumstances, relationships, or goals change. With estate planning, it is not about passing along an unwanted present but rather thoughtfully repurposing one's original intention—adjusting how future distributions will be made to loved ones without changing the core purpose of giving.

- **Wills.** Clients can revise distributions, add or remove beneficiaries, modify bequests, and nominate or change guardians of minor children.
- **Beneficiary designations.** The beneficiaries they have designated on life insurance policies, retirement accounts, and payable-on-death accounts can be updated at any time. These designations should be thoughtfully made and coordinated with your client's overall estate plan—for example, by naming their living trust as a beneficiary if it aligns with their overall goals.
- **Revocable trusts.** Trust agreement terms, trustees, and distribution plans remain adjustable while the client is alive and has the capacity to make decisions. However,

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<sup>1</sup> *National Re-Gifting Day*, Days of the Year (Nov. 6, 2025), <https://www.daysoftheyear.com/days/re-gifting-day>.

they should keep in mind that multijurisdictional or foreign assets can complicate updates and require extra legal steps.

- **Powers of attorney and healthcare directives.** These documents can be revised or revoked as long as the client retains capacity; progressive illness may call for staged updates.
- **Lifetime gifts and charitable plans.** Your client can make gifts or donations during their lifetime, but the flexibility of those gifts depends on the setup. Once your client gives something outright, it usually cannot be taken back. Gifts made through a revocable trust or donor-advised fund can typically be changed while the client still has capacity; grantors and donors can adjust, adapt, and control their giving over their lifetime, offering great flexibility. However, more complicated philanthropic structures, such as those made through irrevocable giving, including trusts or foundations, are generally permanent once established.

### **Returns and Exchanges: Harder to Make Changes While the Client Is Alive**

Other estate planning choices come with a shorter “return window.” While not completely irreversible, they are significantly more difficult to change without court or administrative involvement.

- **Irrevocable trusts.** These trusts are set up to be irrevocable after they have been signed and generally cannot be changed. However, some states permit limited updates and revisions under certain conditions without the need to go to court.
- **Revocable living trusts during incapacity or after death.** Once the trustmaker (also called the grantor or settlor) becomes incapacitated or dies, the living trust’s terms typically become fixed—much like an irrevocable trust. In certain situations, limited updates can still be made without court approval, depending on the state’s law. Other ways to build in flexibility include adding spendthrift provisions or giving successor trustees certain discretionary powers, creating some wiggle room by allowing them to make decisions or adjustments as circumstances change, without needing to alter the trust itself.

### **No Returns Available: When Gifts Are Final**

There are certain aspects of an estate plan that become final once they are executed, and only in rare situations, such as cases involving fraud, coercion, or a clear mistake, can those actions be reversed.

- **Final distributions.** After will or trust distributions have been made and the clients’ assets are in the hands of their beneficiaries, they generally cannot be altered or taken back.
- **Delivered lifetime gifts and finalized deeds.** After your client has given a lifetime gift or finalized a deed transferring their real property, it is permanent.

### **Leaving a Receipt in the Bag: Guidance for Beneficiaries**

A comprehensive estate plan is more than just a set of documents; it is a roadmap for your client’s loved ones. It enables the client to include clear instructions, guidance, and personal

touches, making it easier for their family to carry out the client's wishes with confidence and peace of mind.

- **Letter of instruction or personal letter.** While these letters are not usually legally binding, they can still be incredibly helpful. Clients can use them to clarify intent, especially for digital assets, coveted collections, sentimental items, or gifts that may benefit from a little extra context or explanation.
- **Trustee and executor guidance.** Providing guidance allows your client to outline how they would like discretionary decisions to be made, which can be especially important when managing cross-border or multistate matters.
- **Trust protectors and advisory roles.** Adding these extra roles to the trust provides flexibility for unforeseen changes; however, the authorizing provisions in the trust or will document must be carefully drafted to avoid overlap and ensure clarity.
- **Contingency planning.** Planning for the unforeseen provides backup beneficiaries in case the original recipient is unable to accept the gift.
- **Organized asset documentation.** Organizing documents ensures the smooth administration of accounts, passwords, and records.

### **Know the Rules: Advisor Guidance to Avoid a Gifting Faux Pas**

Even regifting has its etiquette, and so does estate planning.

Advisors can help clients avoid estate plan faux pas that lead to conflict or unintended outcomes—and the legal and emotional “return lines” that come from unclear, outdated, or inappropriate gifts—by following a few simple rules:

- **Choose wisely.** Advise clients to carefully consider who is receiving what and whether those gifts align with their beneficiaries' needs and circumstances.
- **Be discreet.** Guide clients through sensitive updates with documentation and confidentiality in mind.
- **Avoid regifting to the original giver.** Guide your clients to anticipate potential conflicts among heirs or cobeneficiaries and plan contingencies in advance.
- **Celebrate the intent.** Encourage clients to focus on the “why” behind each change or bequest. Gifting with intentionality and meaning reduces the chances that an exchange or regift will be necessary later.
- **Include a receipt.** Help clients leave behind clear letters of instruction, organized asset records, and detailed guidance for trustees and executors.
- **Check the return date.** Encourage clients to schedule regular reviews with their estate planning attorney to ensure that the “gifts” in their plan still align with current laws, relationships, and life circumstances, and that there is still time to make changes if necessary.

### **A Client Gift from Both of Us**

Most of us know that regifting comes with rules, and stores have return policies for a reason. Not every gift can be freely swapped. Thoughtful gifting matters, and some things, once given, are final.

Unlike the casual rules of gifting, the rules of estate planning are written and formal. Clients should approach gifts from their estate seriously, with a plan that aligns with their intentions.

Our favorite gift during the holidays might be the one we give to ourselves, and that applies to an estate plan, as it offers the gift of peace of mind that comes from having a well-planned future. But there is something extra special about unwrapping a present from someone else. Well-chosen gifts show a person that you understand them on a deeper level. They can strengthen relationships, including the advisor-client relationship, and build trust.

Schedule a time for clients to “unwrap” their plans before year-end to ensure that every gift is the right one. Feel free to add our name to the gift tag if they have planning questions.