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**Revision in Law Governing Durable Powers of Attorney**

Thomas Vander Hulst

October 2012

A Durable Power of Attorney (DPOA) is a great estate planning tool that allows individuals to authorize others to act on their behalf in financial matters. Recently, Michigan's legislature and governor enacted legislation changing the laws concerning DPOAs.

One change to the law is that a DPOA can now be signed either in the presence of two witnesses (neither of whom are going to serve as the power of attorney) or a notary public. In the past DPOAs were always signed in the presence of a notary public. However, if the DPOA needs to be recorded in the Register of Deeds office, having the DPOA notarized is still a wise move.

The other major change in the law is that the person serving as Power of Attorney is required to sign an acknowledgment of responsibilities before acting. The purpose of the acknowledgment is to insure that the Power of Attorney understands the basic rights, responsibilities and restrictions on his or her authority.

A couple restrictions are that a Power of Attorney may not set up joint accounts with the Power of Attorney and the principal, and a Power of Attorney may not make gifts, unless joint accounts or gifts are specifically allowed in the DPOA. Also, a Power of Attorney must keep a record of transactions made while serving as Power of Attorney and give an accounting of his or her actions to the principal upon request. Finally, the acknowledgment seeks to impress upon the Power of Attorney that he or she is a fiduciary, which simply means they are handling someone else's property and are expected to act accordingly.

The new changes to the law do not apply to any DPOA signed before October 1, 2012, or in several other specialized situations. But most DPOAs prepared as part of an estate plan will need to comply with the new law.