Keep it Legal, Volume 1 Powers of Attorney

Signing your life away is never a wise legal decision, which is why it is helpful for military members and their families to understand the purposes and effects of a power of attorney.

Airmen are highly mobile: they frequently move to new locations, attend training schools for lengthy periods, or deploy for months at a time. These absences often create a need for them to give someone the authority to make important decisions on their behalf. But what authority and what decisions? Knowing something about powers of attorney can help you answer these significant questions.

A power of attorney is a grant of legal authority from a "principal" to an "agent" or "attorney in fact" to perform certain acts in the principal's name. The person you name as power of attorney does not have to be a law school graduate, just someone you completely trust to act in your best interests.

Powers of attorney can be broad or limited in scope. With a general power of attorney, you are giving your "attorney" the wide latitude to act in almost all areas in which you could act. Armed with a power of attorney, your designated agent can access your bank accounts, buy and sell assets, and handle financial transactions, among other things. Again, you must have no reservations about the trustworthiness of the person to whom you give a general power of attorney.

On the other hand, a special power attorney limits the agent's authority to specified matters or transactions. Airmen frequently use a special power of attorney for childcare, such as when they deploy or leave for an extended exercise or training course. You could also use a special power of attorney to give your agent permission to file your income tax returns, to sell your car when you deploy or get an overseas assignment, or to receive your household goods during a permanent change of station.

You can limit the duration of a power of attorney. You can also have the power of attorney start immediately or take effect at a later date. In some states, a power of attorney may end if the principal becomes incapacitated. In other states, a power of attorney may be "durable" and continue in effect even after the principal becomes incapacitated.

Even though powers of attorney are frequently part of deployment or out-processing checklists, their purposes are frequently misunderstood. Having a fundamental understanding of the differences between a special and general power of attorney can help you decide which one is best for your particular situation. Also, you should consider speaking with an attorney before signing a power of attorney. And remember to always read the fine print.

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