

your estate matters

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Do You Have a Blended Family? One Conversation You Really Need to Have

While estate planning considerations can be complicated for everyone, the likelihood for complications is even greater among blended families. That's especially true when it comes to an inheritance. If you and your spouse have children from previous relationships, will you divide assets equally among all your kids? Is your spouse doing the same?

These are important questions to ask when planning within a blended family. For instance, say your estate plan stipulates that your assets will pass to your spouse, and then upon their death, will be divided equally among your children. Your spouse may then decide to use or pass on assets differently than you might have anticipated. Should they get married again and have kids with the new spouse, those children may also qualify as re-

mainder beneficiaries. Or your spouse may decide to use all the assets, leaving nothing for your children. Complicated doesn't begin to describe the possible situations your family could find themselves in.

How can you make sure your wishes are carried out with the least conflict between family members? One solution is to create a Total Return Unitrust that distributes a set percentage of the assets in the Trust each year to your surviving spouse. The amount of the distribution is based on the value of the Trust, not its income. That way the trustee can focus on generating a long-term return on the assets invested, making it more likely that funds will be available for your children, and helping to ensure that gains are taxed as long-term gains instead of at ordinary income rates.

Our office can help you create a plan that meets the needs of your blended family and ensures that your intentions will be carried out long after you pass away.

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No Plan? That's a Huge Problem

According to surveys conducted by Exit Planning Institute, most small business owners have no plan for transitioning their ownership to an heir or heirs. Why? Surveys show the most common concern is that transitioning ownership to the next generation will cause them to lose control of their business.

Transitioning non-voting ownership assets, or placing those assets in a Trust, allows the current owner to retain complete control. The next most common reason for avoiding the inevitable is the assumption that there is no downside to waiting. In fact, waiting can involve significant downsides. Unexpected illness, incapacity, or

even death can require an immediate transition that the receiving heirs are unprepared to face.

Practically speaking, many business owners claim they are too busy running the business to focus on long-term transition plans, especially if they plan for the business to remain in the family. Yet a solid transition plan can help preserve the wealth you worked so hard to create for future generations—and help them be prepared to step in and fill your shoes when that time comes. All of these are reason enough to make time in your busy schedule and start the planning process now.

Do-It-Yourself Estate Plans

Why Short-Term Savings Can Lead to Long-Term Regrets

As the old adage goes, “He who represents himself has a fool for a client.” Even lawyers hire other lawyers to represent themselves in legal matters. That is just one reason why creating your own estate plan with online templates—though possible—may not ensure that your intentions will be fully carried out.

Why? Generic tools are designed for generic situations, and your life is not generic. Your family’s financial and legal situation is unique. No DIY tool can provide the insight you need if you own a share in a small business, or wish to leave money to grandchildren instead of children. Maybe you have children from a previous marriage, or wish to arrange long-term care for a disabled beneficiary—the possibilities are endless. And so are the potential problems caused by an ineffective or incomplete estate plan that you created on your own.

Then there are issues a DIY plan simply cannot cover. Say you wish to create a plan that encourages your children to earn a certain level of education or work in certain fields. Or

you wish to leave certain assets in a Trust. Or you wish to create a divorce protection trust that allows certain assets to be considered as non-marital assets. And don’t forget how you want to leave certain assets. You may want to delay distribution, or set stipulations on the use of funds, or assign control to certain trustees who will make decisions on your behalf.

Or say you have significant assets and wish to minimize estate taxes. Creating a Family Trust can provide for your spouse and children while preserving your estate tax exclusion, which is the amount of assets that the first spouse to die can pass tax-free.

Your estate plan should fulfill your wishes precisely as you intend, ensuring that you provide financial stability to your beneficiaries, protect your assets for future generations, and protect the privacy of your loved ones.

With goals like those, it’s easy to see how an online tool or template isn’t your best option.

Can You Guess this Legacy?

In 1947, she was a Miss America pageant finalist and two years later made her Broadway debut. Over the next six decades she appeared on stage, TV, and film, winning an Oscar in 1971 for her role in the film *The Last Picture Show*, and receiving twenty-two Emmy nominations and eight Emmy wins for roles on iconic series like *The Mary Tyler Moore Show* and *Phyllis*.

But she worked just as tirelessly as an animal rights activist. In 2014, she asked the President of the Tournament of Roses Parade to disallow a SeaWorld float, saying of orcas,

“They have been deprived of everything that is natural and important to them and forced to swim in endless circles, far away from their families. It’s no wonder that orcas at SeaWorld have never lived long enough to die of old age. (And as someone who has lived a long, eventful life, I can vouch for the fact that they’re missing out.)” Cloris Leachman wasn’t just an acclaimed actress. She was also a PETA Lifetime Achievement Award winner.

What will your legacy be?

The Changing Demographics of Military Veterans

And What Veterans Instinctively Know About Estate Planning

When you hear the term “military veteran,” you might think of older men. Yet the reality is quite different. According to the Department of Veterans Affairs, of the approximately 19 million U.S. veterans, more served during the Gulf War than served during the Vietnam War, Korean War, and World War II combined.

While currently only 1 in 10 veterans are women, that number is expected to nearly double over the next twenty years. The veteran population also continues to become more racially diverse. The population of Hispanic veterans is expected to double over the next ten years, with smaller increases in the population of Black veterans.

What hasn’t changed is our country’s continued appreciation for those who have served. A Pew Research survey found that over 70 percent of Americans favor increased spending for veterans’ benefits and services.

Military veterans’ predisposition for expecting the unexpected also has not changed. Many veterans choose to serve in the Reserves, knowing they can be called up at any time. In a broader sense, Military training focuses on planning, preparation, and flexibility, along with the ability to adapt to changing circumstances, needs, and goals. Which, coincidentally enough, are the same qualities of a great estate plan.