

## WILLMS, S.C.

LAW FIRM

### CLIENT NEWSLETTER APRIL 29, 2011

Usually by the time our May newsletter is sent out, we like to mention how welcome it is that spring has arrived. This year it may be a bit premature, so our snowbird clients can perhaps have a laugh at our expense. Regardless, this newsletter will provide updates on matters that we have found particularly useful to our clients over the last couple of months.

#### Generation-Skipping Transfer Tax Update

It is the time of year when many people rack their brains, hoping they have submitted all of their tax information correctly and on time. Please be aware that if you were the trustee or beneficiary of a generation-skipping trust in 2010, one of three transfer tax returns may be required of you. Accompanying this newsletter is an article by Atty. Maureen O'Leary outlining the requirements of these GST returns, entitled "Generation-Skipping Transfer Tax Return Filing Requirements." (This can be found on the Articles page of our website.)

#### The Non-Tax Benefits of Trusts

As many of you know, the current federal estate tax exclusion shelters the assets of a deceased person from the federal estate tax. The 2010 tax act increased the exemption amount to \$5 million, and is portable between spouses. As a result, the second spouse to die could have up to a \$10 million exclusion from the federal estate tax. These changes (which are scheduled to expire at the end of 2012) have at least temporarily shifted the focus of some of our client's estate planning tax planning to equally important distribution planning. The attached article ([CLICK HERE](#)) explains some of the important non-tax benefits associated with including a well-crafted trust as part of an estate plan.

#### Protecting Against Elder/Vulnerable Adult Abuse

One unfortunate topic that is receiving a considerable amount of media attention as of late is the prevalence of elder abuse and abuse of vulnerable adults. This topic is receiving attention partly because some very famous elderly individuals have been subjected to this abuse in recent years. In 2009, the famous New York socialite and philanthropist Brooke Astor's son was convicted of 14 criminal counts related to stealing millions of dollars from his mother after she developed Alzheimer's. More recently in March of 2011, the actor and Hollywood movie star Mickey Rooney testified in front of the U.S. Senate that he has suffered years of physical and financial abuse at the hands of his stepson. However, not every case of abuse will garner the national spotlight. It is essential that elderly and vulnerable adults, as well as their loved ones, understand the warning signs of abuse. The accompanying article, "Protecting Against Elder Abuse and Abuse of Other Vulnerable Adults," (found on the Articles page of our website) discusses what abuse is, how to prevent it, and what resources are available for dealing with it when it happens.

### Opting Out of Credit Card Offers

On the topic of financial exploitation, a growing number of older individuals are finding themselves burdened with credit card debt as a result of the seemingly-endless credit card offers. One good way to keep older individuals from being taken advantage of (or, alternately, a good way to cut down on junk mail if you aren't interested in hearing about new credit cards) is to "opt out" of pre-screened credit card offers altogether. You can visit the FTC's website (<http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre17.shtm>), and choose to opt out of offers for either a five year period or permanently. This website provides information on exercising this opt-out either via phone or internet, and also provides information on the federal Do Not Call registry.

### Maximizing Life Insurance Premium Payments

Do you know what you are paying for when you send in your life insurance premiums? The accompanying article by Atty. O'Leary entitled, "How to Maximize Your Life Insurance Premium Payments," (found on the Articles page of our website) discusses what happens to each premium you pay to your life insurance company. It also discusses how strategic timing of these premium payments can provide a bigger benefit for each dollar paid.

We hope you find the information included in this Update helpful. Please do not hesitate to contact us for more information about the topics in this newsletter.

Sincerely,

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*If you would like to stay up-to-date with the latest developments at Willms, S.C. through LinkedIn, please visit Andy Willms' LinkedIn page by clicking [here](#), and Maureen O'Leary's page by clicking [here](#).*