

# ***Gustafson Gervasi Law Office, LLC***

## ***Newsletter: Winter 2014 Edition***

### **Changes to Wisconsin's Trust Law**

On July 1, 2014, 2013 Wisconsin Act 92 will take effect in Wisconsin and will impact most existing and future Wisconsin trusts. Key points of the new law include: 1) Wisconsin testamentary trusts will no longer be monitored by the court unless someone files a petition requesting monitoring and the court orders such supervision; 2) Under the old law, trusts without a human beneficiary were valid, but now the new law specifically states that animal/pet trusts are permissible; and 3) Trusts will be presumed to be revocable (meaning it can be changed), if the trust does not state whether it is irrevocable or revocable. This is a complete reversal of the old law. It is suggested that you review any trusts, testamentary or living, to make sure that the trust clearly states your intention as to its revocability.

### **Taxes, Taxes, Taxes**

It's a new year, and with it comes adjustments to the federal tax code. Key numbers to keep in mind:

- Federal estate tax exemption is now \$5.3 million. If your total estate is worth less than this number, federal estate taxes should not be a concern.
- Gift tax – the annual exclusion remains at \$14,000. That means any one person can give another person \$14,000 a year without having to notify the IRS and pay a tax. Exceptions exist, so please consult a CPA for advice related to your specific situation.
- Income taxes are owed by an estate if the estate (day after date of death onward) had \$600 or more in income for 2013. Income can be generated from the sale of assets, such as stocks.

### **Available Now --**

#### **Middle Class Philanthropist: How Anyone Can Leave a Legacy**

It is a small book designed to educate and inspire the average person to make an end-of-life gift to a favorite cause or nonprofit. Also, the book encourages nonprofit development staff to re-examine who they consider to be a philanthropist, *Middle Class Philanthropist: How anyone can leave a legacy* is now available through on-line bookstores such as Amazon and Barnes & Noble or direct through the office here at GGLO. Bulk discounts are available starting at 10 or more copies. Want to hear more? Attend a book reading:

- 2/20/14 – 7pm, Sequoyia Public Library (Madison)
- 4/3/14 – 6:30pm, Spring Green Community Library

- 4/24/14 – 7pm, Verona Public Library.

Schedule a book talk now for your place of worship, civic club, or favorite nonprofit by either calling 608-274-7192 or emailing [Melinda@gustafsonlegal.com](mailto:Melinda@gustafsonlegal.com)

### **Branching Out at GGLO: Supplemental Needs Trust**

With a new year we are now equipped to assist clients with the creation of a Supplemental Needs Trust through WisPACT, a private nonprofit organization that administers pooled and community Special Needs Trusts for people with disabilities. Special Needs Trusts are created to help preserve the assets of people with disabilities without endangering their eligibility for public benefits or placement on benefit program wait lists.

### **T.P.P. aka Your Stuff**

Did you complete the Tangible Personal Property addendum included in your packet? If so, or if you intend to, keep the following in mind when filling it out. Imagine you have to tell a stranger WHAT it is you want to leave, WHERE it is located, and WHO should receive it. For example, *my ring to my cousin Deb* may not be exact enough. A much stronger direction would be – *My diamond engagement ring (see attached photo), located in my jewelry box in my bedroom, shall go to my cousin Deborah Thompson of Minneapolis, Minnesota.*

### **Overlooked Assets**

No amount of organization or preparation will fully soften the blow to your loved ones when your earthly time comes to an end. Yet you can take steps to make the transition easier on those you leave behind. Avenues to explore are too numerous for this brief newsletter, but a few assets you should consider noting in your paperwork include:

- frequent flier miles or rewards on a credit card;
- domain names you own;
- collectibles or collections with an unapparent value.

### **Lawyers Who Care!**

Riding on the high that came from our fund raising efforts last fall for the American Heart Association, this Spring our office will form a team for the 5k Run/Walk benefiting the American Cancer Society. Join us Saturday, April 12<sup>th</sup> at 10 a.m. for some exercise or support our efforts financially by sending a donation to the office (313 Price Place, Suite 204, Madison, 53705) by Friday, April 11<sup>th</sup>.

### **Spring Seminars**

Once again the new year allows me the pleasure of speaking on estate planning and probate issues at a variety of organizations. Several venues include:

- 6:30 p.m., 2/26/14, UW Mini Courses – fee required with registration through the Union;

- 6:00 p.m., 3/13/14, Sun Prairie Library, Sponsored by WWBIC – free and open to the public;
- 6:30 p.m., 4/8/14 – Money Week Series, UW Extension, free and open to the public.

For a complete listing, visit [www.gustafsonlegal.com](http://www.gustafsonlegal.com). If your office, place of worship, or favorite nonprofit would enjoy a similar presentation, please contact me to schedule one for 2014 and beyond.

### **Facebook**

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