

Spring

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Worth Knowing

Courtesy of Wilson Law Group, LLC

COVID-19 AND YOUR HEALTHCARE DIRECTIVES

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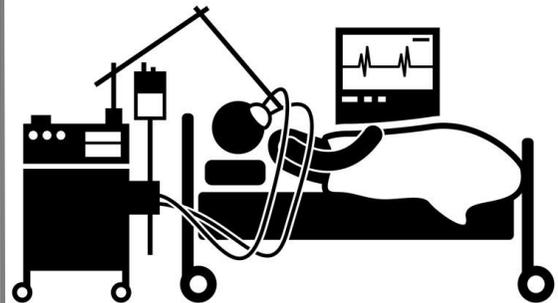
Mark Your Calendars

It is easy to get carried away by the bombardment of headlines carrying frightening news about the volatile markets and COVID-19. The CDC is not advising you to purchase a semi full of toilet paper, but rather to take reasonable precautions and preparations. Now is a perfect time to reflect on your estate planning documents. Maybe you have not had them reviewed in 5 years or more, or maybe you have always put off thinking about it. Times like these remind us that we are not always in control, nor are we invincible, but with reasonable planning and precautions, the fear of uncertainty starts to vanish.

Because this is a health care crisis, it seems appropriate to shed some light on the health care side of estate planning (it is not all about wills and death). There are several health care specific documents that can help you and your family if, heaven forbid, someone was to need them during this pandemic, or due to any future healthcare concern. These documents are: Power of Attorney for Health Care, HIPAA Authorization, and a Living Will.

Power of Attorney for Health Care is a document that lets you designate who can make healthcare decisions for you if you are not able to make them for yourself, or if you simply wanted another's assistance. Many people

assume that spouses or parents are automatically able to step in, make decisions, and talk to the doctors directly. Unfortunately, that is not the world we live in. This dangerous assumption is why so many people put off getting these documents taken care of until the last minute. Imagine it is the day of a surgery and the doctors offer you the state form while you are nervous and not thinking straight, or worse, you have to have a guardianship proceeding and be declared incompetent by doctors and/or judges.



Furthermore, the state forms do not have all of the HIPAA-compliant language to make them fully effective, nor do they allow for the designation to be immediate. They only work after you have been declared incompetent. You might simply want someone you trust to be able to take control, and allow you to take the reins back as soon as you are capable without having to go

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"Things done well and with care exempt themselves from fear."

-William Shakespeare



through the long and costly process of incompetency declarations. This is especially true if your incompetency is temporary, such as a bad concussion. Working with an attorney that focuses on estate planning will help you navigate this, and it is far better to be making these decisions while you are healthy and not in immediate danger.

Your **HIPAA Authorization** allows you to list who can talk to the doctors and get information about your condition and healthcare while not necessarily acting as a decision maker. For example, you might want your spouse making the decisions, but you also want your closest friend to be able to check with the doctor on how you are doing if you are in the hospital.

Living Wills, while darker to think about, are vital to your family members. Living Wills serve a completely different function than a Living Trust. Living Trusts serve as a separate entity in which you can hold and manage your assets and easily funnel them in the proper direction when you pass. Living Wills are your instructions to your Power of Attorney for Health Care at the end of life. Who will you want by your side? What kind of religious persons and ceremonies do you wish for at the end of your life? Do you want to be kept alive via artificial means? While it is not pleasant to think about the end of your own life, it is one of the most loving things you can do for your Power of Attorney for Health Care. No one wants the responsibility of making those kinds of decisions without direction. Giving directions now, while you have your right mind about you, can be a great comfort if someone were to have to make those decisions for you.

While there is no reason to panic if you have not made any of these decisions, simply starting the process can give you great peace of mind. Give us a call. Our consultations are free and we are offering phone and Zoom meetings with you and your family during this healthcare crisis. Let this be a time to be proactive, because through and careful planning can alleviate a lot of fear in the face of uncertainty.



A Message to Our Clients

We are so sorry that the 2020 Annual RWay Forum Dinner was one of the casualties of the COVID-19 virus. We know how much you look forward to our annual night out at the Monona Terrace, but your safety and the safety of our staff will always be paramount.

As we adjust to this new way of life, we would like to remind you that our offices are still open as an essential business under the Governor's protocols. We have also adapted by embracing phone and videoconferencing so that we can remain as available to you as possible.

We will see you at next year's Forum Dinner. In the meantime, we are here to help.



PRESERVING YOUR FARMING LEGACY

Farming has been the cornerstone of our country for hundreds of years. Although the percentage of the population engaged in farming has decreased dramatically since our country's founding, there are still two million farms operating over 900 million acres of land in the United States, 98% of which are family farms, with six million people living in households attached to a farm.

As a farmer or farm owner, you may have a stronger emotional attachment to your business than other business owners. This is probably because the farm has been in your family for generations and is also the location of the family home. To ensure that this legacy and business is protected for future generations, it is crucial that you do the proper planning.

Understand Everyone's Goals

The key to a smooth transition, regardless of when it happens, is to understand everyone's goals. Because the family farm is such a large and complex asset, it is necessary for everyone to be prepared for this transition (whether it occurs at your retirement or death).

Your Goals

It is important that you take the opportunity to sit down and evaluate your own goals for the future and your goals for your family and the business. Because the farm may be a substantial or sole source of income, deciding to retire and hand over control may be financially (and emotionally) difficult. It signals a new chapter in your life, and you may be wondering how you are going to financially support this new chapter without the income from the farm. A well-thought-out transition plan can enable you to transition out of the business in the way you want. Especially if the farm has been in your family for generations, it is probably important to you that the farm continues to be operated by future generations. To accomplish this goal, there are several issues you

should consider: What if not all of my children want to participate in the farming operations? What if someone in the next generation already has or could have creditor or judgment issues? How do I protect the farm and provide for my family? With the proper planning, we can help you address these concerns and achieve your ultimate goals.

Family Goals

The concerns of family members that are in line to receive the ownership and control of the family farm are likely to differ from yours. By wanting to continue the farming operation, it is clear that they value the legacy of the farm and the history it represents to the family, but they may have different needs.

With a highly valued asset, such as a farm, the next generation will want to receive it in a way that minimizes or eliminates transfer taxes. The last thing your family wants is to have to sell the farm to pay the estate tax bill upon your death. As they take on a larger role on the farm, the next generation may want to have more decision-making authority and even partial ownership. By planning ahead, we can help structure a transition that allows for a smooth transfer of control.

Make a Plan and Keep It Up to Date

Estate Plan

Just like a productive farming operation, a well-prepared estate plan needs to utilize the right tools, such as a will, trust, and powers of attorney, to carry out your objectives.

A properly executed trust and financial power of attorney will help protect you and the business should you become incapacitated or otherwise unable to manage the farm. As with any business, when the key person becomes incapacitated, things can go off the rails if there is no one ready to step up

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An Important Announcement

This year's Spring RWay Educational Symposium will be held via webinar. All scheduled workshops for May 2nd will be available for you to watch on our website at your convenience.

Please see below for information on how to access the workshops.

There is no need for you to RSVP.



Annual Educational Symposium

All classes are offered exclusively to RWay members and their guests.

Where:
Anywhere

When:
The webinars will be posted on our website on May 2nd and will continue to be available to you at any time.

How to Access:

1. Go to wilsonlawgroup.com
2. Under the “Free Workshops” tab, click on “RWay Educational Symposium” and enter the password: **Sinatra2013**
3. Click on the workshop of your choice and get your pen ready!

Trustee Training: The Trust Process

This program will provide attendees with an understanding of estate planning concepts, why a trust is useful in comprehensive planning, and an introduction to the trust administration process. Attendance is a must for every Trustee of every trust. A workbook will be included. We encourage you and your successor Trustees to attend this workshop. This program is a precursor for the Trustee Training (The Administration Process) program.

Trustee Training: The Administrative Process

The Trust Administration workshop provides Trustees with a detailed description of the decisions to be made and the tasks to be completed following the death of a Trustmaker. These include valuing assets, administering retirement plans and annuities, dividing and distributing trust assets, and preparing estate and fiduciary income tax returns. It is important to know how to handle these responsibilities before the need exists. Prior attendance at the Trustee Training (The Trust Process) program is highly encouraged.

Funding Your Trust

Funding is a critical function of maintaining your trust. Even though your current assets are coordinated with your trust, it is your responsibility to make sure that all assets acquired in the future are also coordinated with your trust. This workshop will help you understand how to properly maintain your trust funding. It also provides essential information to correctly fund your trust, so be sure to sign up if you have not yet taken the class.

Current Events in Estate Planning

As we all know, estate planning is essential to making sure your assets and values pass on to future generations in the way that you want. This program is designed to keep you up to date with how changing laws and court decisions can impact your existing planning. We will discuss the most important changes that can have an impact in your plan.

Have You Done Your Homework?

Not only is your trust binder full of important legal documents, but it also contains documents to guide your family in implementing your plan. This workshop offers a guided session to completing your Memorandum for Distribution of Personal Property, Remembrance and Services Memorandum, Child Care Exhibit, Key Information section, and other documents that you may customize. Please bring your trust binder(s) and we will identify your “homework” and provide direction on completing it.

The Truth About Organ, Tissue, and Eye Donation

Making a decision about donation comes, for many families, at a time of great stress, anxiety, and sadness. By understanding the facts about donation, you can educate and prepare your family about your decision to become a donor, and they will find peace knowing they have carried out your wishes. ~presented by Donate Life Wisconsin

10 Ways to Stay Positive

- Take things one day at a time
- Take a photo of the best part of every day
- Treat yourself sometimes
- Find a new hobby
- Practice gratitude
- Add value to someone else’s life
- Pick a subject and become an expert on it
- Eat well and get enough sleep
- Go outside at night and look at the stars
- Remember that this too shall pass!

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and take charge. These documents appoint a person, ahead of time, to make decisions on your behalf, instead of waiting until you become incapacitated and making your family go to court to appoint someone. Upon your death, a trust helps to ensure that what is passed to your surviving spouse or beneficiaries is protected from future creditors or judgments. It also allows the assets to be distributed according to the terms of the trust without interference by the probate court. Not only does this create a smoother and quicker transition in ownership, but it also maintains family privacy and reduces expenses. and quicker transition in ownership, but it also maintains family privacy and reduces expenses.

IMPORTANT: You need to make sure that you work with an experienced estate planning attorney to ensure that any trust that is created and funded with farming assets is structured in a way that does not disqualify or reduce any governmental farming subsidies you could be receiving.

If you already have an estate plan in place, then it is a good idea to review your documents on a regular basis. In life, there are many personal and legal changes (births, deaths, marriages, divorces, illnesses, bankruptcies, lawsuits, etc.) that can occur. Having outdated documents can sometimes be worse than not having any documents at all.



WARNING: It may be tempting to title assets jointly with a family member or to execute a transfer-on-death deed to facilitate an “easy” estate plan. While these solutions will transfer the property to the survivor without much involvement by anyone else, these types of ownership are full of disastrous possibilities that could undo everything you have worked hard to build by subjecting the farm to the claims of the creditors of all the other owners, as well as yours.

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Business Planning

Estate planning is just one prong in ensuring the survival of the family farm. It is important to make sure that the farming structure and operation is set up to accomplish the family's objectives as well. The first step is to evaluate the current business structure being used for the family farm.

Most farming businesses, regardless of size, are held as sole proprietorships. It is likely you own the farming land and equipment in your own name (or jointly with a spouse) and possibly have mortgages or loans on these assets in your own name as well. Sole proprietorships are attractive because they do not require any filings, except for registering a trade name if you want to operate the business under a name other than your own. There are also no annual filing requirements or fees owed for this type of business structure. While a sole proprietorship is incredibly easy to form, since it happens by default, it also opens you up for unlimited liability since you and the family farm are considered to be the same legal entity. This means that your personal creditors could look to farm assets to recover judgments against you. It also makes transitioning the farming operation a lot more difficult should you become incapacitated or die.



Alternatively, a limited liability company (LLC) or a family limited partnership (FLP) can be formed to protect assets, reduce tax liability, and provide for an orderly transfer of control and ownership with minimal conflict between family members. Using these business entities, a management and decision-making structure can be established that will not only facilitate the current success of the farming business but also allow all the affected family members to feel assured that plans for the farm's future operation will be implemented. A properly implemented decision-making structure can also provide continuity

in operation should you become incapacitated and unable to participate in the farming activities. Tools such as a buy-sell agreement, management agreement, or employment agreements can be used to help facilitate this smooth transition. It is important to note that with either of these business structures, the proper business formalities must be followed, such as annual filings and payment of the required fees to the secretary of state, to maintain the liability shield around the family farm.



Liquidity Needs

More than likely, the family farm is the largest asset you have. This can pose a challenge when funds are needed for your long-term care, providing an inheritance to a non-farming heir, and/or covering any state or federal tax liability that may be assessed on your death.

Your financial advisor, insurance specialist, and banker can assist you with securing lines of credit and the proper amount of disability insurance, long-term care insurance, and life insurance. While no one wants to have the conversation about possibly ending up in a nursing home or dying, the financial consequences of these events to a farming family can be more severe than they are for most families. Failing to plan ahead may require your family to sell the farm in order to pay for the medical bills, trust or estate administration expenses, or other debts when you become ill or pass away. By working with a trusted advisor team, you can protect your family and your business through all stages of life.

We Are Here to Help

We understand the importance of the continuation of your family farm and legacy for future generations. We are here to assist you with a coordinated plan and guidance to ensure that this legacy will be a lasting one. Give us a call today so we can discuss the right plan for you and your family.

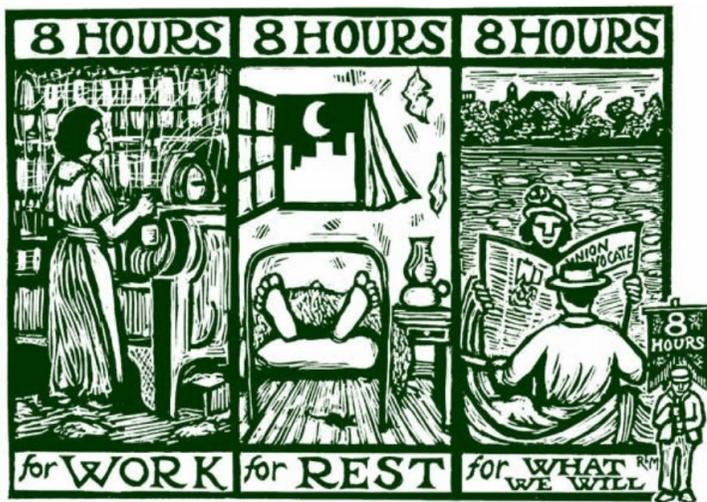


THIS QUARTER IN HISTORY

April 15, 1912 — the RMS *Titanic*, on its maiden voyage from Southampton to NYC, sinks two hours and forty minutes after striking an iceberg in the North Atlantic.



May 4, 1886 — In Chicago, a peaceful rally at Haymarket Square in support of workers' rights turns deadly. The ensuing events would lead to the commemoration of International Workers' Day on May 1.



May 8, 1945 — Nazi Germany officially surrenders at Reims and victory in Europe is declared by the Allies. This date would become known as VE Day, or Victory in Europe Day.

May 11, 1997 — IBM's Deep Blue, a chess-playing computer, officially defeats the game's reigning world champion, Garry Kasparov.



June 9, 1973 — Secretariat becomes a Triple Crown winner at the Belmont Stakes after a race widely considered to be one of the greatest performances by a racehorse of all time.

Wisconsin Trivia

1. Madison is one of only two major U.S. cities built on an isthmus, the other being Seattle.
2. Green Bay is Wisconsin's oldest city. It dates back to 1634 when French explorer Jean Nicolet started a trading post.
3. With 250 miles of beach, Door County has the most amount of shoreline of any county in the United States.
4. A 1990 law prohibits any building within one mile of the Capitol from being taller than the base of the columns surrounding and supporting its dome.
5. The Swiss cheese capitol of the world is not in Switzerland, but Monroe.
6. The statue atop the Capitol, named "Wisconsin," is based on the Greek goddess Athena. Her outstretched right arm represents the Wisconsin state motto, "Forward."
7. The origin of the Wisconsin Badger refers to lead miners. In the 1820s, miners made temporary homes, called "badger dens," by digging caves into the rock. These miners were known as "badgers."
8. About 46% of Wisconsin's 34.7 million acres is covered in forest.
9. The first splinter-free toilet paper was invented in Green Bay by Northern Tissue in the early 1930s.
10. In an effort to protect the state dairy industry, yellow margarine was banned until 1967.

