

Summer

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wilsonlawgroup.com

608-833-4001

7633 Ganser Way
Suite 100
Madison, WI 53719

15 West Main Street
Evansville, WI 53536

Worth Knowing

Courtesy of Wilson Law Group, LLC



Modifying an Irrevocable Trust?

By Attorney John L. Haslam

Did you know that you can modify an irrevocable trust? This doesn't seem possible since the very name of the trust implies the opposite. However, Wisconsin law now allows greater flexibility in modifying irrevocable trusts.

Irrevocable trusts can be created as irrevocable trusts from the very beginning. Examples include irrevocable life insurance trusts (ILITs) and irrevocable gift trusts. Irrevocable trusts can also start out as revocable trusts that become irrevocable when the trustmaker dies. Whichever way they come into existence, there may be reasons to modify an irrevocable trust.

Beneficiary Status – A trust modification may be beneficial to create a creditor-protected beneficiary trust, allow for outright distributions, create a trust for a beneficiary with special needs, create or eliminate a power of appointment, or alter distribution percentages to beneficiaries in light of changed circumstances.

Tax Laws – With tax laws (both Wisconsin and Federal) subject to significant change, an irrevocable trust can be modified to allocate generation skipping tax (GST) exemptions, create a general power of appointment to allow tax basis adjustment upon the death of the beneficiary, or allow for the change of trust situs if a beneficiary lives in a low or no income tax state.

Mistakes and Ambiguities – Modifying an irrevocable trust can correct drafting errors, insert or delete the name of successor trustees, divide or merge trusts, or update outdated or irrelevant provisions.

The Wisconsin laws allow the following:

- Modification or termination of an irrevocable trust with the consent of the beneficiaries, with or without court approval
- Modification or termination of an irrevocable trust because of the occurrence of unanticipated events or circumstances
- Termination of an irrevocable trust if the trust balance is below \$100,000 and the costs of the trust outweigh the benefits
- Modification or termination of an irrevocable trust because of a mistake of fact or law
- Modification or termination of an irrevocable trust, with court approval, to achieve the trustmaker's tax objectives
- Modification of an irrevocable trust to combine or divide trusts
- Transfer of assets from one trust to another trust with more favorable terms

As the world changes, our estate planning goals evolve. In the right circumstance, consider a trust modification to make sure an irrevocable trust can continue to work for you and your beneficiaries.

Keeping the Peace After You Are Gone

A will or trust contest can wreak havoc on families. The conflict can result in possibly irreparable resentment and loss of familial communication. Old rivalries and disputes can resurface during the trying time that occurs after the death of a loved one, especially a parent. But careful estate planning can help you substantially reduce the risk, or even avoid this problem entirely.

Let's take a look at a few of the ways you can build your estate plan to minimize family conflicts after you're gone.

- **Keep your plan up-to-date:** An up-to-date estate plan can help you preserve family unity after death or in the event of incapacity. Even if you have put an estate plan in place in recent years, estate planning is an ongoing process and needs attention at regular intervals. An out-of-date plan can become misaligned with your goals, rendering it less effective and more likely to generate conflict.
- **Select key individuals in your plan:** You can give certainty to your family and make your wishes easier to carry out by selecting the right people as your key players. Make sure that you've thoughtfully selected the right people to carry out your estate plan. A few of the key individuals you'll have to select are:
 - Successor trustee - This person will manage your trust's assets when you are unable to do so.
 - Personal Representative - This person is appointed in your will to manage your probate estate if one is needed. In many cases, you may select the same person as your successor trustee. However, if you don't, remember that your personal representative must work closely with your successor trustee to ensure that everything is handled smoothly and in a timely fashion.
 - Health care agent- This person is authorized to communicate with your medical providers and make medical decisions if you are unable to do so.
 - Financial agent - This person is authorized to make financial decisions on your behalf. They will likely need to work closely with your successor trustee, or you may designate the same person to serve in both roles.
- **Share your wisdom:** By sharing your stories and wisdom (through ethical wills, intent letters, personal stories, videos, etc.), you can help your family understand the legacy you want to leave so that the wealth you're leaving doesn't become a distraction or point of contention.

- **Don't try to DIY:** While it might be tempting to cut corners and take your estate plan into your own hands, taking a do-it-yourself approach is not wise. This sets the stage for potentially inadequate planning, which increases the likelihood of will or trust contests and will likely mean your estate isn't distributed how you'd like it to be in the end.
- **Be clear about your intentions:** Are you planning on giving more of your total assets to one child than the others? Or are there other ways in which your estate planning goals may upset some of your beneficiaries? It can be a very tricky subject to broach, but if you foresee hurt feelings, consider being as clear as possible about your wealth distribution plans with those individuals. This will limit the potential for confusion and disagreement down the road.
- **Consider discretionary trusts:** If you have a child or other potential beneficiary who struggles with addiction, mental health problems, or other conditions that could hinder their ability to use their inheritance in a healthy way, you might want to consider a discretionary trust. With this type of trust, you can control the disbursements based on your beneficiary meeting certain requirements — such as attending a treatment program or enrolling in higher education. This can help you treat each child fairly by taking into consideration what is best for each child's unique situation.

Will or trust contests can tear a family apart, and can also be time-consuming, costly, and embarrassing for the family that remains. If someone who feels slighted by your estate plan can convince the court that your will or trust is invalid, your intended beneficiaries can lose their inheritances.

Let us help you make sure that none of these events unfold. We're here to guide you every step of the way through creating and maintaining a timely, robust, and strategic estate plan. Give us a call today to make sure your plan is current and includes all the necessary provisions to avoid family conflict and keep peace.



Does Your Family Know About Your Estate Plan?

You might be wondering whether or not your family should be acquainted with the details of your estate plan. When it comes to their estate plan, many people are often confused about when and what to share with their family, so you're not alone if you're trying to decide what to do. There are several reasons for concern, ranging from worry over stirring up family tension to a concern that broaching the subject of powers of attorney and healthcare directives is dark and depressing.

However, there are a number of benefits to letting your family know some of the key points covered in your plan, especially regarding your incapacity planning. If your family knows what your wishes are and understands how they're expressed in your health care power of attorney, they will be much more prepared to carry out those wishes if the need arises. Telling your family about your preferences in the event of incapacity will save them from encountering an extra level of stress and confusion.

While it's by no means necessary that you share the entirety of your estate plan with your family, it doesn't have to be an all-or-nothing decision. Here are a few different ways you might choose to get your family acquainted with your plan.

Option #1: Share everything with everyone

Total transparency is certainly an option, but it might not be the ideal choice depending on your family dynamics. This level of openness is usually only appropriate for you if you anticipate needing help soon or are already receiving help from your successor trustee and/or other agents. Consider what you would want to know if you were in your family members' shoes. Too much information can be overwhelming and could also lead to disputes between family members. However, too little information can cause misunderstandings, stress, and time delays when the time to act comes.

Option #2: Share the basics with everyone

Sometimes, sharing a summary rather than all the details is a simpler and more effective choice. If you're going the summary route, talk about how your estate plan works or "flows" without including

any information about the specific assets. For example, tell your family about the types of documents in your plan and the function each document serves so that your loved ones understand who will be in charge and the general manner of distribution and management of your assets. This might mean explaining the basics of how health care directives, powers of attorneys, and trusts work. We are always here to help you figure out how to best describe your plan in simple terms and may even be able to help you with a family meeting.

Option #3: Share your list of point people

Another route to take if you don't want to divulge every detail of your plan is to simply share who you've "cast" in different roles in your plan. Let your family know who your trustees, personal representatives, and health care agents are so there are no surprises later on and so they know who to look to when the time comes. This option will help prepare your family for the future without overwhelming them with the specifics. It can also help maintain a greater level of privacy for you.

Does your list need a checkup?

As you ponder how much to share with your family, seize this opportunity to review your "cast." If you were re-doing your plan today, would you still select that person as successor trustee? Health care agent? Guardian for your children? Caregiver for your pets? Changes like these are fairly straightforward, but incredibly important to get done so your plan works as intended. If you have any questions or need to make changes, give us a call. We're here to help.

The Practical Aspect of Sharing

If you intend to share the actual documents with your family, give us a call. We can work with you to provide paper or electronic copies to those family members that need them.



It's possible that none of these options suit your family's unique needs, and that's perfectly fine. We can work with you to create a custom strategy. Let us know if we can help you develop your own family meeting agenda.



Annual Educational Symposiums

All classes are offered exclusively to our RWay members and their guests. Seating is limited, so please make your reservation as early as possible.

Wilson Law Group combines our most valued educational workshops into three convenient half-day events!

Where:

*Clarion Suites
2110 Rimrock Road
Madison, WI 53713*

When:

*Saturday, September 29, 2018
Saturday, February 2, 2019
Saturday, May 4, 2019*

Three Ways to Register:

Phone

608-833-4001

Email

mail@wilsonlawgroup.com

Our Website

www.wilsonlawgroup.com

Symposium 1
Saturday, September 29, 2018

8:30 a.m.	8:30 a.m. Options for Continuity of Long-Term Care and Panel Discussion
Trustee Training: <i>The Trust Process</i>	
Break	
9:45 a.m.	11:00 a.m. How to Protect Your Assets from Nursing Home Costs
Trustee Training: <i>The Administration Process</i>	
Break	
11:00 a.m.	11:00 a.m.
LegalVault	How to Protect Your Assets from Nursing Home Costs

Symposium 2
Saturday, February 2, 2019

8:30 a.m.	8:30 a.m.
Funding Your Trust	Income Taxes for Trusts
Break	
9:45 a.m.	9:45 a.m.
Trustee Training: <i>The Trust Process</i>	Cyber Threats & Fraud
Break	
11:00 a.m.	11:00 a.m.
Trustee Training: <i>The Administration Process</i>	Gun Trusts & Firearms Planning

Symposium 3
Saturday, May 4, 2019

LegalVault

8:30 a.m.	8:30 a.m.
Trustee Training: <i>The Trust Process</i>	Current Events in Estate Planning
Break	
9:45 a.m.	9:45 a.m.
Trustee Training: <i>The Administration Process</i>	The Truth About Organ, Tissue, and Eye Donation
Break	
11:00 a.m.	11:00 a.m.
Have You Done Your Homework?	Leaving a Legacy

Trustee Training:
The Trust Process

The program will provide attendees with an understanding of estate planning concepts, why a trust is useful in family 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 Administration Process

This program was designed for successor trustees. Prior attendance at the Trustee Training: *The Trust Process* program is highly encouraged. 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.

This workshop is for anyone who would like to learn more about the benefits and functions of their LegalVault account. LegalVault enables you to keep, track, and review your documents outside of your regular estate planning meetings, control access to your estate planning documents, and add additional documents to your vault that requires privacy. LegalVault also allows physicians and hospitals to have access to your medical directives at a moment's notice.

Funding Your Trust

Funding is a critical function of maintaining your trust. Even though your current assets are in your trust, it is your responsibility to make sure that all assets acquired in the future are also in your trust. We are here to help you learn what to do and when to do it. This workshop will help you understand how to properly maintain your trust. This class provides essential information to correctly fund your trust, so be sure to sign up if you haven't yet taken the class.

**Options for Continuity of
Long-Term Care and Panel**

When the ability to care for yourself, a family member, or a friend comes into question, you need to know what options are available. Our expert panel, in a two-hour program, will explore the different characteristics, benefits, and many options available.

**How to Protect Your Assets
from Nursing Home Costs**

The cost of long-term care is very high and increases every year, which leads to many people exhausting their entire life savings paying for it. What strategies are available to proactively and reactively plan for protecting assets from the nursing home for those who cannot qualify for long-term care insurance? This program will review the planning techniques that can solve this problem.

Income Taxes for Trusts

Income Taxes are often a secondary discussion topic during the course of planning an estate. However, basic knowledge of trust and estate income tax rules is essential to avoid common mistakes that can cost thousands of dollars. This program will provide a practical overview of the issues that arise in connection with the income taxation of trusts and estates.

Cyber Threats and Fraud

Cyber threats have changed how individuals and businesses are attacked. These attacks, and the expert criminals that launch them, are more patient and resilient than ever before. This program will help you assess cyber risks and take the necessary steps to protect yourself.

Gun Trusts and Firearms Planning

If you are a gun owner, have you thought about how to fully enjoy your firearms during your lifetime and transfer firearms to your loved ones upon your death? Attend this seminar to learn about ways to hold legal title to your firearms, protect yourself from liability, and reduce or eliminate government fees and interference in your collection.

Have You Done Your Homework?

This is a great follow-up program to our "Pre-Planning Your Funeral" workshop. We have partnered with you to create a customized trust specifically for your needs. However, your trust binder is full of important documents that only you can spring to life. This workshop offers a guided session to completing your Memorandum for Distribution, Remembrance and Services Memorandum, Child Care Exhibit, Key Information section, and other documents that you should customize. Please bring your trust binders and we will review your homework or assist you in completing it.

Current Events in Estate Planning

As we know, estate planning is essential to make sure your assets and values pass on to future generations in the way that we want. Every year, changes in tax laws and other related provisions can affect your estate plans. We will look at the most important changes that can have an impact in your plan.

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've carried out your wishes.

Leaving a Legacy

We often pay more attention to passing on our possessions than we do to passing on our life stories. Consider however, that one of the greatest gifts you can give your current and future loved ones is the story of your life. Anita Hecht, founder of Life History Services, professional interviewer for Steven Spielberg's Shoah Foundation, as well as numerous oral history projects, will lead us in exploring the value and process of capturing and preserving one of your most important legacies.



Community Events Calendar

JULY

19th - 22nd

Dane County Fair
Madison
Alliant Energy Center



21st - 22nd

Art Fair
Mount Horeb
300 East Main Street



24th - 29th

Rock County 4H Fair
Janesville
1301 Craig Avenue



25th

Bucky on Parade
Madison
100 West Mifflin



AUGUST

8th

Workshop on Wellness 2018
Waunakee
Waunakee Village Center



10th

Pack 'N The Park
Fitchburg
2930 Chapel Valley Road



SEPTEMBER

1st - 2nd

Taste of Madison
Madison
Capital Square





15 Ways To Keep Cool When It's Hot

By: Melissa Conrad Stöppler, MD

1. Alter your pattern of outdoor exercise to take advantage of cooler times (early morning or late evening). If you can't change the time of your workout, scale it down by doing fewer minutes, walking instead of running, or decreasing your level of exertion.
2. Wear loose-fitting clothing, preferably of a light color.
3. Cotton clothing will keep you cooler than many synthetics.
4. Fill a spray bottle with water and keep it in the refrigerator for a quick refreshing spray to your face after being outdoors.
5. Fans can help circulate air and make you feel cooler even in an air-conditioned house.
6. Try storing lotions or cosmetic toners in the refrigerator to use on hot, overtired feet.
7. Keep plastic bottles of water in the freezer; grab one when you're ready to go outside. As the ice melts, you'll have a supply of cold water with you.
8. Take frequent baths or showers with cool or tepid water.
9. Combat dehydration by drinking plenty of water along with sports drinks or other sources of electrolytes.
10. Some people swear by small, portable, battery-powered fans. At an outdoor event I even saw a version that attaches to a water bottle that sprays a cooling mist.
11. I learned this trick from a tennis pro: if you're wearing a cap or hat, remove it and pour a bit of ice cold water into the hat, then quickly invert it and place on your head.
12. Avoid caffeine and alcohol as these will promote dehydration.
13. Instead of hot foods, try lighter summer fare including frequent small meals or snacks containing cold fruit or low fat dairy products. As an added benefit, you won't have to cook next to a hot stove.
14. If you don't have air-conditioning, arrange to spend at least parts of the day in a shopping mall, public library, movie theater, or other public space that is cool. Many cities have cooling centers that are open to the public on sweltering days.
15. If the heat is intolerable, stay indoors when you can and avoid activities in direct sunlight or on hot asphalt surfaces. Pay special attention to the elderly, infants, and anyone with a chronic illness, as they may dehydrate easily and be more susceptible to heat-related illnesses. Don't forget that pets also need protection from dehydration and heat-related illnesses too.

Mark Your Calendars

August 5, 2018

Sister's Day



August 15, 2018

Relaxation Day

September 3, 2018

Labor Day



September 9, 2018

Grandparents Day



September 11, 2018

Patriot Day



September 22, 2018

Autumn begins



October 8, 2018

Columbus Day

