

Fall

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Courtesy of Wilson Law Group, LLC

The SECURE Act: The End for Stretch IRAs?

By John Haslam

The SECURE Act (short for Setting Every Community Up for Retirement Enhancement Act) passed the U.S. House of Representatives in May by an overwhelming majority (417-3). The SECURE Act then moved to the U.S. Senate, where it currently sits as the chamber discusses a plethora of other pressing matters. If it does become law, it could have a significant impact on your retirement accounts, both during your lifetime and (perhaps even more so) after you die. Among the Act's provisions, some key features are:

Required Minimum Distribution Age: Currently, most individuals must take a required minimum distribution (RMD) upon reaching age 70-1/2. The Act would increase the RMD age to 72.

Age Limitations on Contributions: Currently, individuals cannot contribute to their Traditional IRAs after age 70-1/2 (Roth IRA contributions are allowed). The Act would remove the age limitations on all IRAs, allowing individuals who work into their 70s to continue IRA contributions.

The End of Stretch IRAs: Under current law, when funds are inherited by a non-spouse, the withdrawals from the IRA can be stretched over the life expectancy of the beneficiary. This is why the strategy is typically called a "stretch" IRA, because the income tax benefit of the IRA stretches well beyond the lifetime of the original beneficiary. The Act would change the distribution rules regarding inherited IRAs to require that the IRA be distributed in full within 10 years of the death of the original IRA owner. This provision would not apply to surviving spouses, who are still eligible for a tax-free rollover into their own names.

Of the Act's many provisions, the end of the stretch IRA could prove to be the most significant. Many estate plans have been designed around the concept of passing IRA funds to future generations that will allow beneficiaries many years of tax-deferred growth. By stretching out RMDs over their long life expectancies, an inherited IRA could double or triple in value over the course of a beneficiary's lifetime. This concept is troubling for many in Congress, who view inherited retirement accounts as more "inheritance" and less "retirement account." Put another way, why should an inherited IRA beneficiary get the same (or better) tax-deferred deal than the retiree him or herself? Although the Act has not yet become law, many in Washington believe it is just a matter of time. Should the law pass, it might be time to contact us to have your estate plan reviewed to see if changes need to be made. Critical decisions will revolve around the best strategy for IRA distributions in light of the new 10-year distribution rule. Your plan might be fine...but that's a stretch.



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15 West Main Street
Evansville, WI 53536

fall CHECKLIST

- ☐ step on crunchy leaves
- ☐ eat something pumpkin-flavored
- ☐ snuggle under blankets
- ☐ get out warm clothes
- ☐ watch the trees change colors
- ☐ spot a ghost for Halloween



Save the Date

The Annual RWay Forum Dinner is on April 6, 2020. Spend the evening downtown at the beautiful Monona Terrace mingling with fellow RWay members, listening to a fascinating guest speaker, and maybe even winning some raffle prizes. Dinner and drinks are on us. Formal invitations will be mailed this winter.

When Is It Critical to Review Your Estate Plan and Why?

Just like other important life tasks, your estate plan deserves your time and attention. It's important that you work with us to review your estate plan at least every five years. Think of this as your estate plan's periodic physical exam, and remember—prevention is the best cure.

A periodic estate planning meeting isn't the only time you need to consider your estate plan. The occurrence of special life events may mean it is time to call us.

If you experience any of these significant life events, get in touch with us, and we'll make sure your needs are addressed.

Marriage

Have you recently gotten married? Congratulations! Marriage means new ways of sharing and managing finances and assets. As a result, this is an important time to revisit your estate plan. With this life change, you'll need to contact us to make any changes to your beneficiary designations, update your will/trust, and update your powers of attorney. This is especially important if this is a second marriage and/or there are children from a previous relationship involved. Proper estate planning is the only way to ensure that you are protecting your loved ones the way you want.

New Job

A new job presents an exciting new set of challenges and opportunities to explore. It also brings very real financial changes. You may be receiving new benefits that require new beneficiary designations on your estate plan. When you are filling out these new forms, it is important that the beneficiaries are named appropriately so your estate plan will work as designed. In addition, you'll need to make sure your estate plan reflects the change to your financial status, whether that's a pay increase or a pay cut.



Loss of a Job

Similarly, leaving employment brings big changes to your financial situation and to your estate plan. It's important to update your plan to reflect the loss of employer-provided benefits such as life insurance, as well as the change in financial status.

Retirement

Retirement brings lifestyle changes, more time for loved ones, and important financial developments. Your estate planner can help you change your plan to reflect that you've stopped earning income and have entered the phase where you will be beginning to use your retirement account. Also, with this new-found freedom, you may find yourself traveling more, making documents such as a Financial Power of Attorney and Health Care Power of Attorney more crucial.

Moved

If you have moved across state lines, you'll need to consult with a local estate planning attorney to make sure that the provisions in your estate planning document are still applicable in your new state. A new home is a new asset, and it is important that this asset is titled appropriately to carry out your overall estate plan.

Divorce

Divorce is, of course, a difficult life event. Therefore, it is critical to look out for your financial health and future if it occurs. You should make any needed updates to the beneficiaries on your estate plan and ensure your beneficiary designations on any life insurance or retirement accounts are changed so that your ex-spouse does not end up with your assets upon your passing.

Death

There is so much to take care of after the loss of a loved one. Take some time, but don't forget that your estate plan will need to be updated to reflect the change that has taken place. You may need to remove the deceased loved one as a beneficiary from any will, trust, life insurance policy, or retirement account and determine what will now happen to that share. It is also important to verify that your deceased loved one was not appointed as a fiduciary, or if so, to make the necessary adjustments to your documents.

Received Inheritance

The death of a loved one not only brings a loss but may result in an inheritance. An inheritance can mean property, money, real estate, and more. An increase in assets may necessitate a change in your estate planning strategy. Also, depending on the form of the inheritance you've received, there may be additional asset management or asset protection concerns that your estate planner will need to address with you.



Birth or Adoption

Welcoming a new child to the family is an unforgettable time. You may feel inspired to look toward the future, and you should! This is a great time to plan to provide for your new family member's future. Due to the new arrival's young age, it is important to consider how you would like to provide for the child and who is going to be in charge of handling the assets while he or she is a minor.

We'd Be Honored to Help

Whatever life brings you, we are here to help you weather the storms and celebrate the milestones. We'd be honored to help you ensure your estate plan is up to date to reflect these life changes. Give us a call today!



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, February 8, 2020
Saturday, May 2, 2020

Three Ways to Register:

Phone

608-833-4001

Email

mail@wilsonlawgroup.com

Website

wilsonlawgroup.com

Symposium 2 Saturday, February 8, 2020

| | |
|---|--|
| 8:30 a.m. The Future of IRA Planning | 8:30 a.m. How to Pay for the Cost of Long Term Care |
| Break | |
| 9:45 a.m. Trustee Training: <i>The Trust Process</i> | 9:45 a.m. Using Trusts to Protect Your Assets from Long Term Care Costs |
| Break | |
| 11:00 a.m. Trustee Training: <i>The Administration Process</i> | 11:00 a.m. Pre-Planning Your Funeral |

Symposium 3 Saturday, May 2, 2020

| | |
|--|---|
| 8:30 a.m. Trustee Training: <i>The Trust Process</i> | 8:30 a.m. Current Events |
| Break | |
| 9:45 a.m. Trustee Training: <i>The Administration Process</i> | 9:45 a.m. Have You Done Your Homework? |
| Break | |
| 11:00 a.m. Funding Your Trust | 11:00 a.m. The Truth about Organ, Tissue, and Eye Donation |



All classes are presented by WLG unless otherwise indicated

The Future of IRA Planning

If you are a person or couple with retirement accounts (IRAs, 401K, 403(b), etc.) of \$100,000 or more, you should be aware of the new congressional proposals regarding restrictions on inherited IRAs. The stretch IRA is one of the most valuable planning tools for your children and grandchildren by turning modest IRAs into multi-million dollar assets for heirs. If you want your IRA to not only benefit you, but also help provide for your children while maintaining complete asset protection for the IRA, you will want to attend this program. We will bring you up to date with proposed changes to these laws.

Using Trusts to Protect Your Assets from Long Term Care Costs

Long Term Care is increasingly expensive, leading many to exhaust their entire life savings paying for it. Long Term Care insurance and other strategies can provide crucial funds to pay for services and proactively plan for nursing home care. Our panel will review the pros and cons of various alternatives of paying for the costs of Long Term Care. *~presented by a panel of Industry Experts*

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.

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.

Using Trusts to Protect Your Assets from Long Term Care Costs

Using an Irrevocable Trust may protect your assets from the costs of Long Term Care for those who cannot qualify for other planning alternatives. This program will review the pros and cons of Irrevocable Trusts in Long Term Care planning.

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.

Pre-Planning Your Funeral

Controlling the cost of your funeral is an important aspect of your estate plan. In this program, we will explore options for prepaying funeral and burial costs, requirements for cremation, and other matters every person should consider when making funeral arrangements. Making these important decisions in advance will provide peace of mind for both you and your family. *~presented by Ric Vanderhoeft*

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.

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.

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*

Notice to All



Currently Wilson Law Group has over 830 families in our RWay trust maintenance program. That is double the amount we had 10 years ago! As an RWay member, we see you every 1 or 2 years depending on the membership option you choose. Due to the extraordinary amount of RWay clients we are servicing, it is important that we follow our processes to give you the best service possible. To do that, we need your help.

We kindly ask that you please read the correspondence we send you regarding your upcoming meeting and follow the instructions. By doing so, it gives us the opportunity to prepare your documents and incorporate any changes accurately.

Here is a summary of the action items to prepare for your RWay meeting:

Return the Confirmation of Names and Fiduciaries and any other changes by the due date.

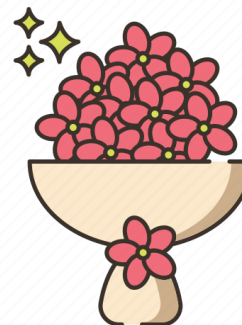
- ♦ All of your trust documents will be finalized by that date. If you notify us of additional changes after this date, a compliance fee will be charged to incorporate the changes this year. Changes brought to the meeting will not be incorporated into your documents at your meeting.
- ♦ You may mail, email, or phone in your changes by the due date.

Bring the following to your meeting:

- ♦ Trust Binder
- ♦ Duplicate Originals (*This is the plastic envelope containing a second set of original trust documents. You may be keeping it in your safe or a safe deposit box.*)
- ♦ Updates to your Trust Financial Statement (*These include asset values, assets acquired, accounts closed, or assets sold since we last met with you, and any changes in title or beneficiary designations. This is particularly important if you changed financial advisors or institutions. Also, be sure to confirm ALL account numbers are accurate, in addition to providing copies of statements for our records.*)

We enjoy seeing you, and we want to make sure that we are offering an experience that is worthy of your time and effort. Thank you!!!

An Announcement



*On September 28, 2019, our Trust Administration paralegal got married! You may have known her as **Courtney Knapp**, but she will now be known as **Courtney McDonald**.*

*You can contact her at her new email address:
courtney.mcdonald@wilsonlawgroup.com*

Please update your records accordingly!



Breast Cancer
AWARENESS MONTH

October is Breast Cancer Awareness Month, a campaign to bring awareness to this devastating disease and raise funds for research into its cause, prevention, and cure. About 1 in 8 women will develop breast cancer in her lifetime, making it the most common cancer in women.

This Quarter in History

October 1, 1908 - Henry Ford's Model T, a "universal car" designed for the masses, went on sale for the first time.

October 4, 1957 - The Space Age officially began as the Russians launched the first satellite into orbit.

October 31, 1926 - Renowned magician and escape artist Harry Houdini died of peritonitis, secondary to a ruptured appendix, at 1:26 p.m. in Detroit.



November 1st - All Hallows Day, also known as All Saints Day among Roman Catholics, commemorates those who have no special feast day.

November 9, 1989 - The Berlin Wall was opened up after standing for 28 years as a symbol of the Cold War. The 27.9 mile wall had been constructed in 1961.

November 20, 1945 - The Nuremberg Trials began in which 24 former leaders of Nazi Germany were charged with conspiracy to wage wars of aggression, crimes against peace, war crimes, and crimes against humanity.

December 16, 1773 - The Boston Tea Party occurred as colonial activists disguised as Mohawk Indians boarded British ships anchored in Boston Harbor and dumped 342 containers of expensive tea into the water.

December 27, 1571 - Johannes Kepler, considered the father of modern astronomy, was born in Germany.

December 31, 1781 - The first bank in the U.S., the Bank of North America, received its charter from the Confederation Congress. It opened on January 7, 1782, in Philadelphia.





WISCONSIN BADGERS

2019 FOOTBALL SCHEDULE

GO BADGERS!

| Week | Date | Opponent | Score |
|------|---------------|------------------|-------|
| 1 | Thu. Aug. 29 | at South Florida | _____ |
| 2 | Sat. Sept. 7 | Central Michigan | _____ |
| 3 | Sat. Sept. 14 | Bye | _____ |
| 4 | Sat. Sept. 21 | Michigan | _____ |
| 5 | Sat. Sept. 28 | Northwestern | _____ |
| 6 | Sat. Oct. 5 | Kent State | _____ |
| 7 | Sat. Oct. 12 | Michigan State | _____ |
| 8 | Sat. Oct. 19 | at Illinois | _____ |
| 9 | Sat. Oct. 26 | at Ohio State | _____ |
| 10 | Sat. Nov. 2 | Bye | _____ |
| 11 | Sat. Nov. 9 | Iowa | _____ |
| 12 | Sat. Nov. 16 | at Nebraska | _____ |
| 13 | Sat. Nov. 23 | Purdue | _____ |
| 14 | Sat. Nov. 30 | at Minnesota | _____ |

Mark Your Calendars

October 31



November 3



November 11



November 28



December 10



December 22



December 25



December 31

