

Summer

2024

Worth Knowing

Corporate Transparency Act Update

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Under the Corporate Transparency Act (CTA), which took effect January 1, 2024, many business entities including small limited liability companies (LLCs) and partnerships are required to file reports with the Treasury Department's Financial Crime Enforcement Network (FinCEN). In these filings, applicable businesses must disclose important information about their entity. However, recent developments have called into question the constitutionality of these requirements.

What Is the Corporate Transparency Act, and What are the Requirements?

The CTA is a federal law that requires business entities, referred to as reporting companies, to disclose certain information about the company and its owners to FinCEN. Under the CTA, a reporting company is defined as a corporation, LLC, or similar entity that is (i) created by filing a document with the secretary of state or a similar office under the laws of a state or Indian tribe, or (ii) formed under the laws of a foreign country and registered to do business in the United States.¹

The following information about reporting companies in the United States must be included in the report:²

- the company's full legal name and any trade name or doing business as (d/b/a) name
- street address of the principal place of business
- jurisdiction where the business was formed
- tax identification number

Additionally, the reporting company must provide the following information to FinCEN about its beneficial owners, defined as persons who hold significant equity (25 percent or more ownership interest) in the reporting company or who exercise substantial control over the reporting company:^{3,4}

- full legal name
- date of birth
- current residential or business address
- unique identification number from an acceptable identification document or FinCEN identifier

If a company is required to report its beneficial ownership information to FinCEN, it is done electronically through a secure filing system available via FinCEN: BOI E-Filing website (boiefiling.fincen.gov)

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For reporting companies created on or after January 1, 2024, the same information must be provided about the company applicant, the person that files the creation documents for the reporting entity.⁵

Some Current Litigation

National Small Business United v. Yellen

On Friday, March 1, 2024, in *National Small Business United v. Yellen*, Judge Liles C. Burke of the United States District Court for the Northern District of Alabama ruled via memorandum opinion that the CTA is unconstitutional because Congress lacks the authority to require companies to disclose personal stakeholder information to FinCEN.⁶ The National Small Business Association (NSBA), an Ohio nonprofit organization representing more than 65,000 businesses from all 50 states, and Issac Winkles, an NSBA member and owner of two small businesses, had brought suit against the US Department of the Treasury and Treasury Secretary Janet Yellen, alleging that the mandatory disclosure requirements imposed by the CTA exceeded Congress's authority under Article I of the US Constitution and violated the First, Fourth, Fifth, Ninth, and Tenth Amendments. The US Department of Justice has since filed an appeal of the district court's decision with the US Court of Appeals for the Eleventh Circuit asserting that the CTA is constitutional.

Boyle v. Yellen

On March 15, 2024, William Boyle initiated a lawsuit in the US District Court for the District of Maine alleging that the CTA is unconstitutional.⁷ The lawsuit states that Congress exceeded its authority under Article I of the Constitution and encroached upon the states' respective sovereignties in violation of the Ninth and Tenth Amendments and constitutional principles of federalism and retained state sovereignty.⁸

Small Business Association of Michigan v. Yellen

On March 26, 2024, the Small Business Association of Michigan, Chaldean American Chamber of Commerce, Steward Media Group, LLC, Power Connections Co, LLC, Derek Dickow, Semper Real Estate Advisors, LLC, and Timothy A. Eisenbraun, filed a complaint for declaratory judgment and injunctive relief alleging that Congress exceeded its constitutional authority, the CTA amounts to an unreasonable search and seizure, and the CTA is a violation of due process.⁹ In response, the US Department of Justice has filed a brief asserting the constitutionality of the CTA.

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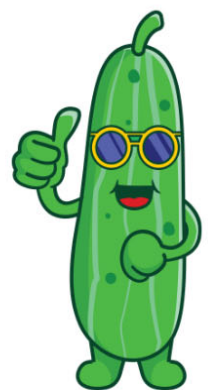


Best Bloody Mary in Madison, WI!



Great For A Weekend Bruch

1. Short Stack Eatery
2. The Old Fashion
3. Come Back In
4. Mickey's Tavern
5. Graze
6. Nitty Gritty
7. Genna's Cocktail Lounge
8. DLUX



Continued From Page 2

Where Do We Go from Here?

Depending on when the company was created, here are your next steps:

- If the reporting company was created before January 1, 2024, then the Beneficial Ownership Information Report (“BOI Report”) must be filed with FinCEN by January 1, 2025.
- If the reporting company was created on or after January 1, 2024, then the reporting company has 90 days from the date of formation to file.
- Looking ahead, if the reporting company is created on or after January 1, 2025, then the reporting company has 30 days from the date of formation to file.

[1] 31 U.S.C. § 5336(a)(11).

2 31 C.F.R. § 1010.380(b)(1)(i).

3 31 U.S.C. § 5336(a)(3)(A).

4 31 U.S.C. § 5336(b)(2)(A).

5 Id.

6 No. 5:22-cv-1448, 2024 WL 899372133, A.F.T.R.2d 2024-885 (N.D. Ala. 2024).

7 No. 2:24-cv-00081-LEW (D. Me. 2024), <https://www.taxnotes.com/research/federal/court-documents/court-petitions-and-briefs/constitutionality-corporate-transparency-act-challenged-maine/7jbb8q>.

8 Id.

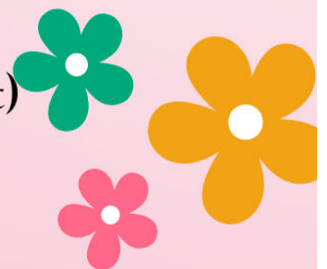
9 No. 1:24-cv-314 (D. Mich. 2024), <https://www.taxnotes.com/research/federal/court-documents/court-petitions-and-briefs/business-groups-challenge-transparency-act-unconstitutional/7jcm8>.



This Summer You Can.....



- Go Kayaking on a Lake or River
- Go Tubing on the Sugar River
- Go to the Zoo
- Go to the Farmers Market (Every Saturday)
- Go to the Wisconsin Dells
- See a Movie at the Union Terrace
- Go the Dane County Fair (July 18th- 21st)
- Mount Horeb Art Fair (July 28th)
- Go to the Wisconsin State Fair (August 1st-11th)
- Taste of Madison (August 31st - September 1st)





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members and
their guests.

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When:

Saturday, October 12, 2024
Saturday, April 26, 2025

Three Ways to Register:

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mail@wilsonlawgroup.com

Website

wilsonlawgroup.com

Check Out Our New Format!

Symposium I
Saturday, October 12, 2024

8:15 a.m. - 9:00 a.m.

Trustee Training:

Trust Process

9:15 a.m. - 10:00 a.m.

Trustee Training:

Administration Process

10:15 a.m. - 11:00 a.m.

Funding Your Trust

11:15 a.m. - 12:00 p.m.

Legal Vault

Symposium II

Saturday, April 26, 2025

8:15 a.m. - 9:00 a.m.

Current Events in
Estate Planning

9:15 a.m. - 10:00 a.m.

Income Tax For Trusts

10:15 a.m. - 11:00 a.m.

Planning Under Medicare
After Age 65

11:15 a.m. - 12:00 p.m.

Scams & Protecting Identity

Can't make it?

Check out our growing library
of online workshops!

1. Go to wilsonlawgroup.com
2. Click "Log in to Watch RWay Workshops"
under the red "Free Workshops" button
3. Enter the password Sinatra2013

Symposium I

Trustee Training: Trust Process

This program will provide attendees with an understanding of estate planning concepts, the value of trusts in comprehensive planning, and an introduction to the trust administration process. Attendance is a must for every Trustee and successor Trustee. A Trustee Handbook will be included. This program is a precursor for the Trustee Training (The Administration Process) program. of estate planning concepts, the value of trusts in comprehensive planning, and an introduction to the trust administration process. Attendance is a must for every Trustee and successor Trustee. A Trustee Handbook will be included. This program is a precursor for the Trustee Training (The Administration Process) program.

Trustee Training: The Administration 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.

LegalVault

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 healthcare providers to have access to your medical directives at a moment's notice.

Symposium II

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.

Income Tax 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 avoiding common mistakes that can cost thousands of dollars. This workshop will provide a practical overview of the issues that arise in connection with the income taxation of trusts and estates.

Planning Under Medicare After Age 65

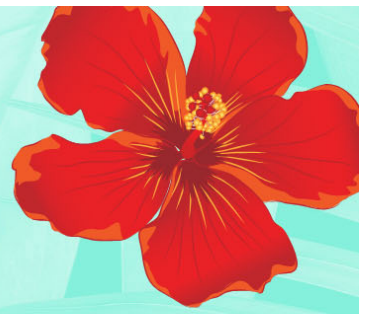
Reaching eligibility for Medicare is a milestone in our lives. You may have questions about benefits, supplemental insurance, prescription drug plans, and more. Enrollment growth, budget pressures, new political directions, and rapid technological change will continue to shape the program's future. An industry expert will discuss the importance of when to apply, benefits covered, why supplemental plans are a strong consideration, and how to maximize your Medicare benefits.

Scams & Protecting Your Identity

There are many new scams out there today that draw in individuals, and you might end up losing money because you fall into their trap. In this workshop you will learn about different scams, so you don't succumb to them in the future. This workshop will also review methods to help you safeguard your information against identity theft, as well as help you defend yourself in the event that your information is ever compromised.



This Quarter In History!



July 1, 1905 - Albert Einstein introduces his Theory of Relativity.



July 4, 1884 - The Statue of Liberty is presented to the United States in Paris.



July 17, 1955 - Walt Disney's Disneyland opens in Anaheim, Ca.



July 21, 1873 - Jesse James and his gang rob their first train.

August 1, 1941- The first Jeep comes off the assembly line.



August 7, 1782- The "Order of the Purple Heart" is created by President George Washington.



August 28, 1837- Pharmacists John Lea & William Perrins Manufacture Worcestershire Sauce.



September 2, 1666 - The Great Fire of London started. 80% of the city destroyed.

September 10, 1953 - Swanson sells the first "TV Dinner".

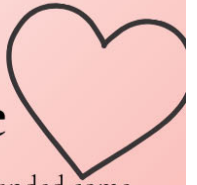


September 16, 1620 - The Mayflower sets sail from Plymouth, England.





Lucille Ball: Dangers of Being the First to Die



Lucille Ball was the queen of television comedy to an older generation of Americans. Today, more than 70 years after *I Love Lucy* premiered, reruns still air on late-night networks, making it the longest-broadcasted TV show of all time and endearing Ball to a new generation of fans.

Rankings of the best *I Love Lucy* episodes can be found across the web. There are also real-life lessons to learn from Ball, including from a lesser-known episode involving her daughter and her widower's second wife that provides important estate planning lessons about remarriage.

How Some of Lucille Ball's Prized Possessions Ended Up at Auction

Ball had two children with her first husband, actor Desi Arnaz: Lucie Arnaz and Desi Arnaz Jr. The beneficiaries of the Lucille Ball Estate, estimated at \$40 million when she died in 1989, were her two children and her second husband, Gary Morton.[1]

But it is what Lucy's daughter Lucie did not end up inheriting that sparked a fierce legal battle between her and Susie McAllister, whom Gary Morton later married after Lucy's death.

Morton died in 1999, and in 2010, more than 10 years after Morton's death, McAllister consigned several items to Heritage Auction Galleries, including love letters between Ball and Morton, photos of the couple, a Rolls Royce, and some of Ball's personal items like an address book, backgammon boards, and lifetime achievement awards.[2]

When Lucie learned about the auction, she demanded some of the items be returned, threatening legal action against McAllister to stop the sale. According to a countersuit filed by McAllister against Lucie seeking a judge's ruling to let the auction proceed, Ball left the personal effects in question to Lucie in her estate plan—but Lucie never claimed them from the estate. They then passed to Morton and eventually to McAllister from her late husband.

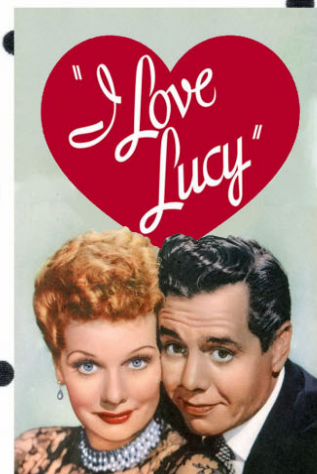
The judge ultimately ruled in favor of Lucie and said that the auction could be stopped if she posted a \$250,000 bond, but Lucie unfortunately could not afford it. Not all was lost, though, as her legal team reached an agreement with the auction house to have the lifetime achievement awards returned. The other items were auctioned off.[1]

Estate Planning Lessons from the Ball Auction Debacle

An attorney representing Lucie had strong words about the auction, saying it was insulting to Ball's legacy and contravened her "express desire that these items were to belong to her daughter after her death." [2]

One of the stranger and unexplained aspects of the Lucille Ball auction saga is why Lucie would have forfeited the items that ended up being offered for sale. While McAllister contends they were never collected, both women agreed that Ball left them to her daughter in her will.

Assuming this is true, it means that Lucie made a mistake by not claiming the property she was gifted. Typically, unclaimed inheritances pass to the next beneficiary in line—presumably in this case Gary Morton.



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However, in leaving the unclaimed heirlooms to McAllister, Morton may also have erred. It is plausible he did not know that Ball wanted Lucie to inherit the personal effects. But he probably should have known that they were better off with his stepdaughter than with McAllister, to whom they could not possibly have had any sentimental value. Put yourself in McAllister's position: she lived with reminders of the couple's life together for more than ten years out of respect for them and finally parted with the items as she remodeled her house and sought a fresh start.

The entire situation between McAllister and Lucie might have been avoided if Morton had asked himself why McAllister would want the old love letters, photos, and awards. So the second lesson that can be learned from this legal drama is that if you inherit property from a previous spouse and later remarry, you need to think carefully about who should inherit it.

Fitting the Small Details into the Big Picture of Your Estate Plan

We can assist with the often complicated estate planning decisions that come with remarriage and blended families.

Thoughtful, proactive action is the key to successful estate planning. To discuss your estate plan goals and concerns, schedule a meeting with our attorneys.

[1] Neetha K, Lucille Ball: Life, Death & Money: What Was "I Love Lucy" Star's Net Worth at the Time of Her Death?, Meaww (Jan. 9, 2021), <https://meaww.com/lucille-ball-life-death-money-i-love-lucy-star-net-worth-at-death-reelz-documentary-estate-heirs-war>.

[2] Lucille Ball Memorabilia from the Estate of Gary Morton—Including Love Letters, Rolls Royce, Awards and Artwork—at Auction in Beverly Hills, Heritage Auctions (July 6, 2010), https://news.cision.com/heritage-auctions/lucille-ball-memorabilia-from-the-estate-of-gary-morton—including-love-letters-rolls-royce-awards-and-artwork—at-auction-in-beverly-hills_8502294.

[1] Jason Pham, Here's Where Lucille Ball's Kids Are Now & How Much They Inherited after Their Mom's Death, Yahoo! Fin. (Mar. 7, 2022), <https://finance.yahoo.com/news/where-lucille-ball-kids-now-133929434.html>.

[2] Catherine Saunders-Watson, Heirs Spar over Upcoming Auction of Lucille Ball Items, LiveAuctioneers (July 15, 2010), <https://www.liveauctioneers.com/news/top-news/crime-and-litigation/heirs-spar-over-auction-of-lucille-ball-items>.



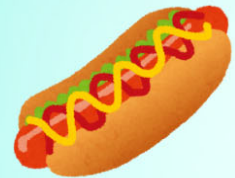
Mark your Calendars



July 4th



July 17th



August 4th



September 2



September 11

