



COURTESY OF WILSON LAW GROUP, LLC



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## Elevate Your Financial Security: Mastering Asset Protection Strategies

The modern insurance market dates to seventeenth-century London, where merchants reeling from the Great Fire of London started pooling funds to cover fire losses. Today, this same basic concept—pooling risk to protect individuals and businesses from catastrophic loss—underpins nearly every sector of the global economy. The US insurance market, the largest in the world, is worth an estimated \$1.7 trillion and underwrites risks that could otherwise devastate individuals, homes, and businesses. Recent shifts in the insurance market have led to many people paying more and getting less from their insurance policies. However, amid these frustrations, it is important to remember that insurance remains your first defense for protecting your wealth and legacy.

### **Homeowner's Insurance: Protecting Your Biggest Asset**

According to a recent study from ValuePenguin, two-thirds of homeowners say their rates went up in 2024, and 25 percent received nonrenewal notices. Half of homeowners worry that their homes will become uninsurable, and almost a quarter of policyholders are questioning whether home insurance is even worth the expense as customer satisfaction with homeowners insurance reached a seven-year low in 2024.

Although these numbers sound discouraging, going without homeowner's insurance, or not having enough insurance, could be an unrecoverable mistake. For most Americans, their home is their largest asset.

If you own a home, you need to review your policy limits, explore bundling options, compare quotes for optimal value and protection, and update coverage to match rising rebuild costs.

- What it typically covers: Home insurance typically covers repairs or rebuilding after fires, storms, vandalism, or theft; personal property (furniture, electronics); liability for injuries on your property; and temporary living expenses if you are displaced. Floods and earthquakes require separate policies.
- How much coverage you need: You need enough to rebuild at today's costs, which are up significantly. You will also need personal property coverage and liability coverage. You will likely need a policy rider if you have high-value items (jewelry, art, etc.).
- How homeowner's insurance impacts your estate plan: Because your home may be one of your most valuable things, it is important to protect it.

As premiums rise, you may be tempted to reduce coverage, but doing so could jeopardize what you leave behind for your loved ones.

### **Renter's Insurance: Affordable Protection for Your Belongings**

#### **How an Asset Inventory Fits into an Estate Plan**

Renting is increasingly more affordable than buying a home. Nationally, the average mortgage payment costs 38 percent more per month than the average rent.

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Many people, including a growing share of wealthy Americans, are choosing to rent rather than buy in the current market. Renter's insurance is highly affordable, costing around \$15 to \$25 monthly, but only 37 percent of renters have it.

- What it typically covers: Renter's insurance typically covers personal property (electronics, clothing, furniture) against theft, fire, or water damage; liability within the rented space; and temporary living expenses if you are displaced. Jewelry, collectibles, and other high-value items are often capped without riders. Standard renter's insurance policies may have limitations or exclusions regarding at-home business-related activities, necessitating a separate business insurance policy.
- How much coverage you need: To determine how much coverage you need, estimate your belongings' value and replacement cost. Creating a photo inventory of your items can be helpful. You should also include liability coverage, which can be used for expenses such as medical bills, legal fees, or damages. High-value items such as laptops and bicycles may require extra coverage.
- How renter's insurance impacts your estate plan: Even if you do not own a home but rent instead, you probably have stuff worth protecting. Personal property, from heirlooms to technology, can comprise a large part of what you own.

Do not assume that your landlord's policy will cover you or your possessions. Finances might be tight, but skimping on insurance could be costlier: the average claim for loss due to theft and burglary is approximately \$3,000, about 20 times higher than the average annual premium. And if the law where you live does not require renter's insurance, your landlord might

### **Car Insurance: Your Roadside Safeguard**

Every state except New Hampshire mandates car insurance. Premiums jumped 7.5 percent in 2025, on top of a 16.5 percent increase in 2024. Higher rates mean that more drivers are choosing to drive uninsured, leading to higher risks and premiums for everyone.

What it typically covers: Car insurance typically covers liability for injuries and property damage you cause; collision insurance covers accident repairs; comprehensive insurance covers theft, vandalism, or flood damage; and medical coverage pays for injuries. Uninsured motorist coverage may protect against hit-and-runs, and underinsured motorist coverage may kick in when the at-fault driver's insurance is insufficient to cover your losses.

- How much coverage you need: Beyond state minimums, it is important to have adequate coverage for liability, comprehensive, collision, and medical payments.
- How car insurance impacts your estate plan: Whether gifted or sold, vehicles can be valuable items. Some may be worth even more than real estate. Adequate car insurance can protect the value of what you leave behind from liability claims arising from accidents that occur before your affairs have been wound up. Potential lawsuits can deplete the money and property intended for your beneficiaries. Your estate's personal representatives, executors, and successor trustees should act quickly to confirm coverage and discuss how to maintain protection during administration.

### **Umbrella Policy: Your Extra Layer of Protection**

Umbrella policies can offer around \$1 million in added protection for about \$200 annually. In an increasingly litigious society, the risk of facing a substantial lawsuit should not be underestimated. Verdicts in personal injury lawsuits can easily exceed standard homeowner's, renter's, or auto insurance limits

- What it typically covers: An umbrella policy covers extra liability beyond home, auto, or renter's policies, including lawsuits from accidents, property damage, or defamation. It kicks in after primary insurance limits have been exhausted.
- How much coverage you need: The amount of coverage you need will be based on the reason you need the umbrella policy. Some advisors believe that your umbrella policy coverage should at least match your net worth. However, this calculation should also consider your other insurance, home equity, and retirement savings. Working with an insurance agent is the best way to ensure that you are adequately protected
- How an umbrella policy impacts your estate plan: An umbrella policy protects your accumulated hard-earned money from unforeseen legal liabilities, helping to ensure that more of your money and property will be preserved and passed on to future generations.



An umbrella policy may seem like an unnecessary added expense at a time when your regular insurance policies are already going up in price, but it is a relatively low-cost hedge against a large liability claim that could wreak havoc on your finances and estate plan. Umbrella policies can be particularly valuable for those with significant assets or multiple properties; landlords of rental properties; or people with high-risk lifestyles (e.g., pet owners or event hosts); as well as professionals, such as doctors, who face litigation risks.

### **Business Insurance: Safeguarding Your Livelihood**

Research shows that 75 percent of small businesses are underinsured, leaving them vulnerable to risks such as property damage, lawsuits, and cyberattacks, which increasingly target small businesses. Commercial clients also face higher premiums and tougher underwriting across general liability, property, and cyber policies, often with new exclusions and longer claim processing times.

- What it typically covers: Business insurance includes general liability for customer injuries and property damage; property insurance for buildings and equipment; professional liability for service errors; business interruption for lost income; and cyber insurance for data breaches. Also, workers' compensation is required for employees.
- How much coverage you need: This amount depends on several factors, including the type of coverage you need (business owner's policy, general liability insurance, workers' compensation insurance, and professional liability insurance); the type of industry you are in; your organization's size; the number of employees you have; general industry risk; and your business's location. Also, keep in mind that home-based business owners who rent might need business insurance.
- How business insurance impacts your estate plan: Insurance can play a key role in your estate plan and succession planning, helping preserve the business's value against losses and protect your loved ones' financial interests.

### **Ensure That You Are Properly Insured**

Insurance can be overlooked until it is needed most. Instead of viewing insurance purely as a cost, try to reframe it as an investment—not necessarily in the traditional “market return” sense, but as one that manages risks and supports your long-term financial and estate planning goals. Despite all its flaws, insurance is the foundation of our modern economy and your personal wealth. It enables homeownership by backing mortgages, fuels business growth by mitigating risks, and protects your estate from disasters or lawsuits. Today, the typical American faces more-complex and higher-stakes risks, making thoughtful, tailored insurance coverage a must. To explore ways to navigate the challenging insurance market, reach out and schedule a time to talk.

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## **VOTE FOR WILSON LAW GROUP!**



**We didn't let you down when it came to estate planning, so don't let us down and vote! The People's Choice is a contest where readers of the Wisconsin State Journal, Madison.com, and Cap Times vote on their favorite local businesses, in featuring 150 categories.**

**This year, not only was Wilson Law Group nominated as a finalist for Best Law Firm, but our amazing attorneys Cherish Buss and John Haslam were also nominated to be finalists for Best Attorney! The best part? You can vote for us multiple times! Everyone will be able to cast one vote in each category per day from July 2<sup>nd</sup> to July 20<sup>th</sup>. Every vote counts, so please make sure to vote!**

### **HOW TO VOTE:**

1. Go to <http://go.madison.com/PeoplesChoice>
2. Find Cherish or John to cast a vote for Best Attorney
3. Find the category Best Law Firm to cast a vote for Wilson Law Group
4. Do this everyday from July 2<sup>nd</sup> to July 20<sup>th</sup> to help us win!







All Classes are  
offered  
**EXCLUSIVELY**  
to our RWAY  
members and  
their guests.

RSVPs are Required!  
Wilson Law Group combines  
our most valued educational  
workshops into two  
convenient half-day events!

**Where:**

Spark by Hilton  
(formerly Clarion Suites)  
2110 Rimrock Road  
Madison, WI 53713

**When:**

Saturday, October 4th, 2025  
Saturday, April 25th, 2026

**Three Ways to Register:**

**Phone**

608-833-4001

**Email**

mail@wilsonlawgroup.com

**Website**

wilsonlawgroup.com

## Check Out Our New Format!

### **Symposium I**

**Saturday, October 4th, 2025**

**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.**

Legal Vault

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

Funding Your Trust

### **Symposium II**

**Saturday, April 25th, 2026**

**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.**

Are You Ready for Your  
Future?

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

Pre-Planning Your Funeral

### Check out our growing library of online workshops!

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



## **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.

### **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.

### **Are You Ready for Your Future?**

As we all know, finding a senior living community is often an overwhelming and daunting task. Tracy Doeppers, who works for Care Patrol, works with families to learn about their needs, concerns, and preferences before making recommendations for safe and appropriate living options that fit their unique situation. Her goal is to empower seniors and their families as they make important decisions about the next chapter in their lives. During this exclusive presentation, she will be discussing all aspects related to planning for care after retirement.

## **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.

### **Pre-Planning Your Funeral**

Planning ahead for funeral arrangements offers peace of mind and can be a vital component of a comprehensive estate plan. Did you know that pre-paying for funeral expenses can also be a key strategy in Medicaid spend-down planning? By establishing an irrevocable funeral trust, you can set aside funds for your final arrangements, and these funds are typically not counted as an asset for Medicaid eligibility purposes. This allows you to responsibly allocate resources for your future needs while preserving other assets that might otherwise be subject to Medicaid spend-down requirements. Join Melissa Theisen from Gunderson Funeral Home to learn more about how advanced funeral planning can benefit your overall financial and estate strategy.



# Summer in Dane County

## Atwood Fest

Whether you're a festival regular or first time visitor, this free and community powered music festival is making a return on July 26<sup>th</sup> & 27<sup>th</sup>. Enjoy two days of live music, food, local art, and family fun!

## Art Fair on the Square

Back for it's 67<sup>th</sup> year, over 500 artists come together at the Capitols Square to showcase their projects from paintings to handmade fashion and everything in between. The two day special event will be held on July 12<sup>th</sup> & 13<sup>th</sup>; you won't want to miss it!

## Taste of Madison

Every summer should go out with a bang, so go and join hundreds of others on August 30<sup>th</sup> & 31<sup>st</sup> for an end of the summer celebration! With live music accompanied by 80+ restaurants, you are sure to head into the fall with a full belly and a happy heart.

## Le Fete de Marquette

Let's help our wonderful Madison community by celebrating it! This French inspired celebration from July 10<sup>th</sup>-13<sup>th</sup> is perfect for all ages with live music, activities, and plenty of food and drink vendors. Best part? Buying a drink here is actively raising funds for the Wil-Mar Neighborhood Center! It's a win win event.

## Mark Your Calendars!

Independence Day  
July 4<sup>th</sup>



Labor Day  
September 1<sup>st</sup>

National Friendship Day  
August 3<sup>rd</sup>

National Grandparents Day  
September 7<sup>th</sup>

# Save the Date

## AHA Heart Walk

Saturday, September  
13th 2025 @ 11 a.m.



American  
Heart  
Association®

FOR OVER 100 YEARS, THE AMERICAN  
HEART ASSOCIATION HAS BEEN FIGHTING  
HEART DISEASE AND STROKE, HELPING  
FAMILIES AND COMMUNITIES THRIVE.

The American Heart Association will  
be hosting their annual Madison  
Heart Walk on Saturday, September  
13th, 2025 at McKee Farms Park!

PLEASE HELP SUPPORT TEAM WLГ BY SIGNING  
UP OR DONATING FOR THE 2025 MADISON  
HEART WALK! WE'RE ALMOST DOUBLE OUR  
GOAL ALREADY BUT WITH YOUR HELP,  
WOULDN'T IT BE AMAZING TO TRIPLE OUR  
GOAL FOR OUR GREAT COMMUNITY? LET'S  
HELP EACH OTHER TO SUPPORT SUCH A  
GREAT CAUSE!

Please go to [www2.heart.org](http://www2.heart.org), click on Heart Walk,  
click on WI, click on Details by McKee Farms Park,  
under Top 5 Companies, search for Wilson Law Group.





# Could a Domestic Asset Protection Trust Be the Right Trust for You?

There are more ways to create wealth today than ever before. Whether you are working a traditional nine-to-five job and investing in the stock market, a full-time investor taking advantage of online trading platforms and international markets, running an online business that you hope becomes your main income source, or a serial entrepreneur, the landscape of opportunity has never been broader—or more accessible.

But it is not just the prospects for wealth creation that have multiplied. Threats to personal wealth have also increased, from economic volatility and regulatory oversight to business disputes, professional malpractice claims, and divorce. The same online side hustle that supplements your earnings might expose customer data to cybercriminals, leading to a data breach lawsuit that threatens everything you own.

However you make money, you undoubtedly want to hold onto as much of it as possible. And that requires strategic long-term planning. One potential asset protection strategy involves using a domestic asset protection trust (DAPT)—a type of irrevocable trust designed to strategically shield wealth within US borders.

## How DAPTs Work

DAPTs came about in the late 1990s as a US-based alternative to offshore trusts traditionally used in jurisdictions such as the Cook Islands. Alaska pioneered the first DAPT statute in 1997,<sup>[1]</sup> and DAPTs are currently offered in more than 20 states.<sup>[2]</sup> However, state laws regarding DAPTs do not offer equally strong protection.

Here is an illustration of how DAPTs are set up and intended to function:

- Sarah owns a small business. Although her company is thriving, she knows there is an inherent risk of potential future lawsuits. To protect a portion of her personal wealth, she establishes a DAPT in her home state of Nevada, a state with DAPT legislation.
- As the grantor, Sarah transfers assets of investment accounts and real estate into the trust. She appoints a trustee to manage the trust. The trust document names beneficiaries, including Sarah, her children, and other family members.
- The trust gives the trustee discretionary authority to distribute income and principal to the beneficiaries, including Sarah. This means that Sarah, as a potential beneficiary, does not have a guaranteed right to the trust's assets, making it more difficult for her future creditors to access them directly because technically, the trust—not Sarah—owns the assets.

Nevada state law permits DAPTs, and, provided certain conditions are met (e.g., the transfer of assets was not done when Sarah knew of actual or potential creditors that might bring a claim against her), these assets within the trust may be shielded from claims by Sarah's future creditors after a certain statutory period has passed.

For example, a few years after setting up her DAPT, Sarah's small business faces a lawsuit over a contract dispute. The plaintiff attempts to seize her assets, but because Sarah's investment accounts and real estate are in her Nevada DAPT, they are beyond the plaintiff's reach. In other words, in the eyes of the court, Sarah is not the legal "owner" of the assets; the trust is. The court upholds the trust's protections, shielding Sarah's wealth from the claim.

The push-pull between control and protection is a major factor in determining whether a DAPT's protections can withstand court scrutiny. Generally, the more control you (the grantor) retain over the trust, such as mandating distributions to yourself or having the ability to remove and replace a trustee, the weaker the asset protection. Conversely, surrendering more control—such as giving an independent trustee full discretion over distributions—enhances the trust's independence and ability to shield assets.

## Warnings, Caveats, and State Nuances: When a DAPT Might Not Work

While DAPTs offer strong asset protection, they are not foolproof. They can falter for reasons such as:

- Timing. Assets must be transferred to the DAPT before a creditor's claim arises. Transfers made after a lawsuit or debt is known may be deemed fraudulent and reversed by a court.
- State law variations. Not all states recognize DAPTs, and non-DAPT states may challenge their validity in court, especially if the grantor resides outside the trust's state.
- Federal claims. DAPTs may not protect against federal claims, such as Internal Revenue Service (IRS) tax liens or bankruptcy proceedings.
- Setup and compliance. A poorly structured DAPT or a DAPT's noncompliance with state law can leave assets vulnerable. DAPTs require strict adherence to state-specific rules, such as appointing an independent trustee and avoiding impermissible control by the grantor.
- Evolving case law. The legal landscape surrounding DAPTs is still developing as courts continue to interpret their scope and limitations. A lack of extensive precedent can create uncertainty.



In light of these limitations, let's revisit the example of the small business owner, Sarah, and how a DAPT could come up short.

Sarah's business faces a lawsuit, and she transfers many of her personal assets into the DAPT just days before the legal claim is filed. The plaintiff challenges the transfer, claiming it was made to evade legitimate creditors. The court finds that the transfer was fraudulent under Nevada's DAPT laws. As a result, the assets are not protected, and Sarah's trust assets are accessible to satisfy a resulting judgment.

Another situation where Sarah's Nevada DAPT may not provide the anticipated protection is if she moves to a state that does not recognize the Nevada DAPT. If a creditor brings a claim in her new state of residence, that state's courts may apply local public policy and decline to honor Nevada's asset protection laws. As a result, the court could allow the creditor to reach assets held in the DAPT, despite the trust's protections under Nevada law.

### Additional Considerations and Complementary Strategies

A DAPT might be right for you if any of the following applies:

- You have significant assets and high liability exposure
- You are an influencer, executive, public figure, or someone with a highly public profile
- You own a business or are a professional such as a doctor, lawyer, accountant, real estate developer, or broker, who works in a field with a high rate of malpractice claims
- You are worried about divorce
- You have concerns about future unknown liabilities
- You have sufficient assets to put away in a trust to which you will have limited access

In addition to shielding assets from future creditors, DAPTs can help avoid probate and may, in limited cases, contribute to estate tax planning—particularly when designed to remove assets from the grantor's taxable estate. Such benefits make DAPTs a strong complement to your overall financial and estate plans.

However, DAPTs are not a one-size-fits-all solution. Their setup and ongoing maintenance fees should be part of your cost-benefit analysis. Their protection is also not guaranteed and could be subject to legal challenges. You need to be transparent about what you own and the potential liabilities you face when establishing a DAPT and must relinquish direct control over trust assets, which could hamper your financial flexibility.

A DAPT is often most powerful within a broader asset protection framework that may also include strategic titling of assets; utilizing state-specific exemptions for certain types of assets (e.g., retirement accounts or homesteads); optimizing insurance coverage; business entity structuring; and other types of trusts such as a spousal lifetime access trust (SLAT) or a qualified personal residence trust (QPRT).

To explore how a DAPT can be strategically integrated into your financial and estate plans in conjunction with these and other wealth protection strategies, schedule a time to talk.



July 3<sup>rd</sup>, 1836

WI becomes a U.S.  
territory

July 20<sup>th</sup>, 1969

Neil Armstrong &  
Buzz Aldrin were  
the first humans to  
walk on the moon



## This Season In History!



August 12<sup>th</sup>, 1939

"The Wizard of Oz"  
was premiered at the  
Orpheum Theatre in  
Green Bay, WI



September 17<sup>th</sup>, 1787

The U.S. Constitution was  
signed in PA

August 15<sup>th</sup>-18<sup>th</sup>, 1969  
First Woodstock  
Music Festival

