

Get Your Ducks In a Row!

Estate & Long-Term Care Planning News
from Carolina Family Estate Planning

April 2018

WHAT IS MODERN ESTATE PLANNING REALLY ABOUT?

By now you have probably heard that the Tax Reform Act increased the estate tax exemption (the amount that you can leave to your beneficiaries free of estate tax) to \$11.2 million. This change is temporary and will expire at the end of 2025. However, every time we see such changes to the estate tax laws, we receive a lot of inquiries from people about whether they still need a will or trust or whether they need to do estate planning at all? Our answer is always a resounding “YES!”

You see, for most families, estate planning hasn't been about estate *tax* planning for a while now. For several years, the estate tax exemption has been at least \$3.5 million or higher. So, what is modern estate planning about?

Incapacity Planning: As life expectancies have increased with medical advances, there is a *much* higher likelihood of facing a prolonged phase of incapacity during our lifetime. Caregiving after a stroke or a diagnosis of Alzheimer's, dementia, Parkinson's, or other degenerative illness can be financially devastating. Comprehensive Incapacity Planning should address who will handle your healthcare and financial affairs on your behalf and how you will pay for your care needs in the event of your future incapacity.

Income Tax Planning is the New Estate Tax Planning: As much as everyone likes to complain about taxes, we've had some of the lowest top marginal income tax rates in the history of the U.S for the past couple of decades. In years

past, top marginal income tax rates have been as high as 50, 70, or 92%! With the growing national debt, many are speculating that income taxes will increase at some point in the future. We can help explore strategies to reduce income and capital gains taxes on appreciated stock, real estate, family farms and businesses, and similar.

Maximizing Retirement Accounts: As defined benefit plans such as pensions have all but disappeared and individuals have become responsible for their own retirement savings, planning to maximize retirement savings has become more important than ever. This can include exploring ways to reduce taxable income during retirement and the best way to pass such accounts down to beneficiaries to help them have a secure retirement.

Asset Protection: Asset Protection is a broad term that can encompass a variety of planning goals such as protecting assets from taxes, long-term care costs, lawsuits, creditors, divorce, and more. Asset protection planning may involve planning to protect yourself from such risks and/or protect your surviving spouse or beneficiaries from such risks.

Legacy Planning: Estate planning is not just something you do for yourself, but also for those that you love. No one wants their loved ones to remember them for the stress and headaches that they left behind. Comprehensive estate planning can eliminate such issues, while also helping you leave a true legacy for your family by providing them protection from future lawsuits, creditors, and divorce. Or perhaps your plans for your legacy include establishing education trusts for your grandchildren or supporting your favorite church or charity. Regardless of your goals, estate planning puts you in the driver's seat to establish those priorities.

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Practice Areas:

Wills • Living Trusts • Asset Protection Trusts
Powers of Attorney • Health Care Directives • Living Wills
Long-Term Care Planning • Medicaid Planning
Veteran's Aid & Attendance Benefits
Special Needs Planning • Children's Safeguard Planning
Probate & Estate Administration • Trust Administration

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Do you have a modern estate plan? If not, or if you have concerns that your planning may be due for an update, please give us a call at (919) 694-4437 to discuss.

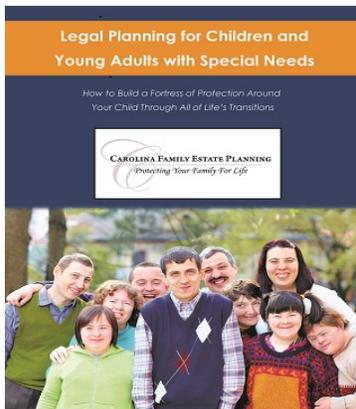
Jackie Bedard, Author and Estate & Long-Term Care Planning Attorney

It's Autism Awareness Month!

April is Autism Awareness Month, which highlights the challenges faced by people with Autism Spectrum Disorders and related special needs. We know that many parents of young children struggle to imagine their child's future if the unthinkable should happen to them. But for parents of a child with special needs, this fear can be overwhelming.

Planning ahead for a child or grandchild with disabilities is an extremely important and time-sensitive task. Your child or grandchild is counting on you to create a legal and financial plan that not only protects him or her now, but also well after you are gone.

In honor of Autism Awareness Month, we have a new guide, *Legal Planning for Children and Young Adults with Special Needs*, available to help parents and grandparents of a child with special needs understand the important steps they need to consider.



To request your free copy, visit:
<http://vip.carolinafep.com/specialneeds>

FYI: NEW MEDICARE ID CARDS

In an effort to prevent fraud, the Center for Medicare and Medicaid Services (CMS) has redesigned Medicare cards. The cards will no longer contain a Social Security number, gender, signature, or other personal information. Instead, the new cards have an 11-digit assigned number that is not connected to the beneficiary's other personal data.

The new cards will be sent out in phases by geographic location. North Carolina's cards are scheduled to be mailed after June 2018. Starting in April 2018, people with Medicare can get information about the mailings and sign up for emails about the status of card mailings in their area at www.Medicare.gov/NewCard.

Before mailings start, we encourage you to check that the Social Security Administration has your correct address. Any address changes should be made by contacting the Social Security Administration at ssa.gov/myaccount or by calling 800-772-1213.

Also, be aware of scammers who may try to take advantage of unsuspecting beneficiaries by calling them directly about their replacement cards. CMS employees never call and ask for personal or private information about Medicare recipients. There is no fee for the new card.

Thank You For Introducing Your Friends & Family to Our Office!

We're devoted to delivering first-class service to our clients. As a result, our valued clients, partners, and friends refer their family, friends and associates to us. We'd like to take a moment to thank the following:

Tom Gervase, Coastal Federal Credit Union
Christie Henry
Richard Keeter, Keeter Financial Corp.
Kris & Kim Lee
Tim Murray, Aware Senior Care, LLC
Louis Prosser, Eagle Strategies, LLC
Scott & Cindy Riley

Robin Santelia
Jesse Shapiro, Wilson, Reives & Silverman
Steve & Maura Silverman
Julie Steinbacher, Steinbacher, Goodall & Yurchak
Sue Sweeney, Keeter Financial Corp.
Rick White, Patriot Wealth Management
Jaclyn Wilson, Coastal Federal Credit Union

Nalsworth Dogglethorp, III, Esq. here (a.k.a, Nala). My job is to bring you something fun or interesting each issue:

April Showers, Bring on those flowers!

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NALSWORTH DOGGLETHORP'S NOOK

Find these flowering North Carolina spring plants in the puzzle:

- Bluebell
- Bradford Pear
- Daffodil
- Dogwood
- Hyacinth
- Lilac
- Redbud
- Magnolia
- Wild Cherry
- Wisteria

Planning for the 2nd Half of Life in these Political and Economic Times...

11 Threats to You, Your Family, and Your Assets

AT THIS SEMINAR, HERE'S SOME OF WHAT YOU WILL DISCOVER:

- How to avoid the common mistakes Baby Boomers make when planning for the second half of life.
- How to avoid having your life savings or retirement plans wiped out by the cost of care as you get older.
- Uncover the secret sources of paying for long-term care costs that may lie hidden in your retirement plan.
- Important differences between Estate Planning and Long-Term Care Planning and how they coordinate.
- How to care for yourself and your spouse and how to maximize the assets you leave to your children...plus how to protect their inheritance from divorce, less than trustworthy spouses, creditors, and similar.

Upcoming Free Seminars: *RSVP required*

Thursday, April 26: 6:30 pm • Thursday, May 10: 6:30 pm • Wednesday, May 16: 10 am

Register by phone: **919-694-4437** or online: **seminars.carolinafep.com**

Can't attend? Call us! Additional dates may be offered based upon demand. We'll keep you updated of future offerings or other resources to assist you.

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What's New at CFEP

What's New at Carolina Family Estate Planning?

- ◇ We're in the midst of assisting members of our VIP Inner Circle Maintenance Program with updates to their planning in light of North Carolina's new Durable Power of Attorney Law and the Tax Relief Act. If you are a member of the VIP Inner Circle, please make sure that you have been receiving our emails regarding such updates. If you haven't received them, please call us. If you are not a member of the VIP Inner Circle and would like to discuss updating your plan, please call 919-694-4437.
- ◇ A warm welcome to our new Client Concierge, Jodi Reed, and our new Paralegal, Jennifer Mercer. When she's not greeting our clients with fresh-baked cookies, Jodi teaches college history courses. Jennifer brings an extensive background in estate administration and estate planning to CFEP. We're thrilled that both have joined our team!
- ◇ Congratulations to Attorney Jackie Bedard on being named a Rising Star in the 2018 North Carolina edition of SuperLawyers! This marks the second year in a row that Jackie has received such a designation. The selection process includes peer nomination and independent research by a third-party organization. The Rising Star list is for candidates that are either 40 years of age or younger or have been in practice for 10 years or less and recognizes no more than 2.5% of attorneys in each state.

Want to help your parents' group, church group, or community organization "get their ducks in a row"?

Contact us at newsletter@CarolinaFEP.com to start planning a special CFEP presentation.

For up to date information and announcements, remember to:



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