

Recap, talk of Jan. 29, 2020

Speakers Kathleen Nemetz, Certified Financial Planner TM Practitioner; CPA Alexia P. Cloutier; and Patricia Mayer, J.D., Estate Planning Attorney, at Incavo, San Rafael, CA.

Women On Money TM hosted another great panel discussion Wed. Jan. 29, 2020, this time at the Incavo Wine Bar in downtown San Rafael. Speakers were Alexia P. Cloutier, CPA; Patricia Mayer, JD, LLM, Certified Specialist, Estate Planning, Trust and Probate Law, State Bar of California, Board of Legal Specialization; and Kathleen Nemetz, MBA, CFP [®], Wealth Advisor and Partner, Stratos Wealth Partners. The topic was a wide ranging one, as we focused on messy problems with taxes and estate planning.

Among the key takeaways from this discussion were several points worthy of action:

--If you don't have high value assets in a trust, run, don't walk, to your nearest estate planning attorney. Probate fees alone could consume significant sums of money to settle your estate, especially if a pricey home is in the mix.

--While wills can help settle one's affairs after death, they do not avoid probate. Nor do they resolve the issue of who manages your assets while you are still alive, if you are incapacitated.

--Marriage laws and real property titling vary greatly among the 50 states. When planning a retirement that may take you out of state, or when considering how to take title to property held out of state, it is important to consult with a local attorney on whether community property laws apply. Property held in one person's name only may actually be treated as just that person's property, upon death, in certain states even if a marriage exists.

--International laws with regard to estates and succession also vary greatly. A consultation with an attorney licensed to practice law in the destination country is wise, before assets are moved or property is purchased there. Trusts created in the USA may not have jurisdiction over foreign assets.

--Keep your documents up to date. Inform your beneficiaries of your wishes, including your preferences for how to invest your money while you are still alive, should you have to name a successor trustee or a family member or fiduciary to shoulder that responsibility.

--Taxes matter. Rules for IRAs are changing with the new Secure Act, (Setting Every Community Up for Retirement Enhancement Act of 2019). If you are the beneficiary of an inherited IRA and you are not the spouse of the decedent, as of this year you may have just 10 years to withdraw the money. When leaving money to children from IRAs, it will pay to discuss how this money can be managed. Set up the appropriate entity with an attorney.

This brief summary does not even begin to cover the breadth of points discussed. For this reason, we encourage you to attend our seminars. Watch this space for news about the next one. Or opt into our list to receive an invitation.