

properly titled in the name of your trust. Please do not procrastinate on this issue because your family may end up going through probate on your property even though you have properly planned.

JOB OPPORTUNITY

Seeking an Operational Manager

Do you know someone who has always dreamed of managing a “start-up company” without the associated risk of a new enterprise? If so, we may have the perfect opportunity. For several years, the Law Office of James F. Roberts & Associates, APC has worked with a wealth management business and tax preparation business. The synergism of this collaborative effort is working so well that it is time to hire an experienced Operational Manager to help coordinate the growth of these separate companies. The qualified candidate

must demonstrate a proven track record of effectively managing professionals, and exhibit an entrepreneurial spirit while maintaining the company’s core values of honesty, integrity and respect. We are confident the successful candidate will have a career opportunity that is unparalleled in the industry. For more information, please call (714) 282-1107 for a recorded message about this position.

2013 DATES TO REMEMBER:

April 19-24, 2013

Moving to new building

April/May

Call for your FREE estate plan review

May 21, 22, and 23

Bucket Workshops

October 5, 8, 10, and 12

Family Days

NEWSLETTER

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APRIL 2013

FEATURED IN THIS ISSUE

Did Congress Do it Again?

We're Moving!

Upcoming Events

Don't Let this Happen to a Loved One

Have you Refinanced Lately?

Operational Manager Position Available

DID CONGRESS DO IT AGAIN?

After January 2nd – The Good and the Bad!

Wouldn't it be nice if we could plan our lives knowing the government isn't going to keep changing the rules? I think we all know the chances of that happening are as likely as Santa Clause coming to our homes each day. I don't know about your house, but Santa only brings me presents once a year, which is still significantly better than what Congress generally brings! Let's take a quick look at this year's changes – some good, others not so good – that may affect estate planning now and in the future.

1. Permanent Estate Laws Bring Relief

For those of us wanting some certainty in our lives, we can all feel a bit relieved knowing that on January 2, 2013, President Obama signed into law the American Taxpayer Relief Act (ATRA).

This is the first *permanent* major estate tax law change since 1997. Although major estate tax changes occurred in 2001 and 2010, they were temporary because no one in Washington D.C. could agree, which prevented them from getting 60 votes in the Senate. ATRA actually got the magic 60 votes, resulting in a permanent law change. What does “permanent” mean to the government? It means that it can't be changed unless and until Congress decides to change the law! At least, for now, we have some stability in our planning. This is great news, since tax planning for the last decade was like playing soccer without knowing the rules, making it difficult, if not next to impossible, to plan.

2. Estate Tax Exemption is now \$5,250,000

The federal estate tax laws (not necessarily income tax law), as implemented by ATRA, are quite positive for the vast majority of taxpayers. The estate tax exemption is now set at \$5 million per person, with an adjustment for inflation making it \$5,250,000. The same exemption is available for both gift taxes and generation skipping transfer taxes. The tax rate for estates over \$5,250,000 is now 40%, an increase over the 35% that was in affect for the last two years. It is estimated that out of the approximate 100 million homes in the United States, only 5,000 have individuals with net worth in excess of \$5 million. This means that only one half of 1% will now be required to pay estate tax.

3. AB Trust vs. New Portability Option

Many married couples must face the compelling issue of whether or not they should amend their current estate plan in light of the new tax laws. The new laws contain a "Portability" provision allowing married couples to double their exemptions without the need for creating multiple trusts at the death of one spouse. The multiple trust structure, commonly referred to as an AB Trust, is probably not necessary under the new tax laws for most clients. However, the "Portability" option is only available if at the death of the first spouse, the surviving spouse files a very costly and extensive 706 federal estate tax return. The return, without attachments, is 31 pages long, and the instructions are 53 pages.

It has been our position for many years NOT to file a 706 federal estate tax return unless absolutely necessary, because to do otherwise is giving the government way too much information. If a person elects to maintain an AB Trust where the surviving spouse needs to file an income tax return on the assets in Trust B every year, the government does not have all of the information about one's assets as they would with a 706 federal estate tax return.

Unfortunately, reading one article about the tax consequences to a major tax law change cannot properly provide the information needed to make decisions about your estate plan, including whether an AB Trust is right for you. Each couple's situation is different, and the differences must be considered in order to provide proper advisement.

We, at the Law Office of James F. Roberts & Associates, APC, are very concerned that your estate plan be as current as possible. **To reassure everyone, we will meet with you to review your estate plan, while waiving our normal billable rate, to give both of us the peace of mind** that comes from making sure your living trust currently best meets your needs. Please call (714) 282-7488

today to schedule your **FREE**, no obligation consultation with one of our experienced estate planning attorneys.

WE'RE MOVING!

This year's spring cleaning goes way beyond organizing our office areas and file cabinets. During the week of April 22, 2013, we will be moving to a new building located on La Palma Avenue in Anaheim, just a few miles from our current Orange site. We are very excited about the move since the new building will easily accommodate our growing business, staff and visiting clients. Our new site features a comfortable and spacious one-story office building, with an open, convenient parking area. Seniors looking for a close parking space will now appreciate the ease when they arrive for an appointment. Our phone number, (714) 282-7488, remains the same. We look forward to your next visit, and as always, will welcome you with a hot cup of coffee or tea.

NEW ADDRESS: (after April 24, 2013)

3061 E. La Palma Ave., Anaheim, CA 92806

(Located just off the Kraemer Blvd. exit on the 91 Freeway)

UPCOMING EVENTS

2013 Bucket Workshops

Due to great demand, we are proud to announce that Jim Robert's Bucket Workshop is back! Many of you were first introduced to our firm at a past Bucket Workshop held at Mimi's Café (or other small venue) where you learned about how revocable living trusts avoid probate problems such as one to two year delays, 5-10% loss of fair market value of assets, and lots of family headaches. In 2013, Jim brings his Bucket

Workshop to the Anaheim Hills Country Club, located at 6501 E. Nohl Ranch Road, Anaheim Hills, California, 92807. Please tell your friends and family members, *especially those who don't have a trust*, to mark the dates of May 21, 22 and 23. You will receive an invitation in the mail with more information as the dates approach. We look forward to seeing you this spring.

Family Days

We are happy to say that last year's Family Days were an overwhelming success! To the best of our knowledge, we are the only estate planning firm offering free education for successor trustees and other family members on how a trust works. Mark your calendar for either October 5, 8, 10 or 12, and arrange to bring your successor trustees and other family members to this very useful and informative workshop. You won't be disappointed! More information on the event will be announced soon.

DON'T LET THIS HAPPEN TO A LOVED ONE

For many of us who have been blessed with children and grandchildren, we know that they are our most important assets. We love them and do whatever is necessary to keep them safe. However, did you know that if one of your adult children passed away without naming a guardian to raise their minor children, the government will name one? While our clients have protected themselves through proper estate planning, many of their children have not, and are at risk of the government controlling the distribution of their assets and selection of guardians and administrators.

To help ensure your family members and friends take necessary steps to protect their most important assets, we have prepared a short **DVD entitled, "How a Revocable Trust Avoids Probate—Explained so that Anyone can Understand in 8 Minutes," for you to share.** This informative, high definition DVD makes a great

gift for family and friends that either need a will or trust, or need to update one. Please call our office today, and we will happily mail them complimentary copies. You can also mention to them that the video is available on YouTube at <http://tinyurl.com/EstatePlan8Min>. Also, feel free to pass on our contact information, by calling (714) 282-7488, so we can answer any questions they may have regarding their estate planning. We consider it a true honor when someone refers a family member or friend to our office.

An Unfortunate Situation

The headline to this article is tragically very personal for Jim and his family. On January 30, 2013, Jim's 29-year-old nephew, Seth, was snorkeling in the Virgin Islands with his 9-year-old daughter when he began to seizure, dying later that day. Seth had custody of his daughter, but unfortunately did not protect her with an estate plan because he didn't think that far ahead. Jim's and his family's tragic loss may be just enough to help someone else get their affairs in order prior to a tragic event. Again, we are here to answer questions and provide information to your loved ones so they take action. Please call our office today at (714) 282-7488, if we can help with your family's estate planning.

HAVE YOU RECENTLY REFINANCED YOUR PROPERTY?

It is our experience that the majority of our clients who have recently refinanced their homes are very surprised to learn that their property is no longer titled in the name of their trust. The lender's priority is getting the loan funded, not with the ultimate name of the title. The lender oftentimes requires that the loan is funded in the client's name individually and not in the name of the trust. Contact our office at (714) 282-7488 to verify that your property is

(continued on page 4)