



HSA Love Affair

July 2018

I have to make a confession; I have had a secret infatuation with a something that most people do not even know exists. Its called an HSA. It stands for Health Savings Account and it is an easy way for most people to reduce their taxes. Medical expenses are deductible but due to income thresholds and limitations most expenses never make it to the tax return. As a consequence these medical expenses often get ignored. However, the HSA can bring them back from receipt bin and on to the tax return. In order to enroll into a health savings account you must be part of a high deductible health insurance plan. High deductible plans have a minimum deductible for families of \$2700 and a maximum of \$13,300.

Health savings accounts allow you to contribute money into a pre-tax account then pay your qualifying medical bills tax free. The contributions can either come from your employer or from you personally. The payments are made from a debit card that is linked to the account. You can make up to \$6,900 in contributions for your family and they do not have a requirement to be withdrawn. Once they are in the account they have a triple tax benefit. Tax-deductible contributions, tax free growth and tax free withdrawals for qualified expenses. For taxpayers that have medical bills of any amount but cannot deduct them due to limitations can get a full income reduction.

Because this process is beneficial by reducing income rather than acting as a deduction, we see more benefit for this 2018 and beyond. With tax reform increasing the standard deduction, medical expenses will see even more hurdles to being deductible. The HSA essentially moves the deduction to another part of the tax return. Doing this allows us to take advantage of the higher standard deduction, bypass the medical deduction limitations and reduce your overall income that can other aspects of your tax situation. If you have not started an HSA yet, you should do it now.



IN THIS ISSUE

HSA Love Affair.....	1
Patriotic Fruit Skewer.....	2
Clothespin Wreath	2
Disinherit a Child.....	3
Monthly Seminar	4
Refer a Friend.....	4
July Holidays.....	4



Patriotic Fruit Skewers with Cream Cheese Dip

Skewer Ingredients

- 1 – 2 lbs. strawberries, sliced
- 4 – 5 bananas, cut into 1" slices (soaked in lemon juice)
- 1 pint of fresh blueberries
- 10 wooden skewers, 12"



Dip Ingredients

- 1 (16.5 oz) pkg refrigerated sugar cookie dough
- 1 (8 oz) pkg PHILADELPHIA Cream Cheese, softened
- 1/4 cup granulated sugar
(Whip with mixer and serve chilled)

Assembly:

- Remove the stems from the strawberries and slice large strawberries in half; small berries can be left whole.
- Cut the bananas into 1" slices. Dip banana slices into lemon juice to prevent browning.
- On the first 5 skewers, with the pointed end, spear 10 blueberries through the middle, in a row.
- After you have speared 10 blueberries add a banana slice, a strawberry, another banana slice and then end with another strawberry. It looks best if the strawberries all point the same way. Repeat this pattern on 4 more skewers.
- On the remaining 5 skewers, pierce 1 strawberry, followed by 1 banana slice, followed by 1 strawberry, repeating this pattern until you have used 5 strawberries and 4 bananas.
- Repeat the strawberry/banana pattern on the remaining 4 skewers.
- Arrange the skewers on a serving tray or cookie sheet to make the patriotic flag design.
- Serve immediately or refrigerate until you are ready to serve Flag Fruit Kabob!

Find full details here: <https://www.radacutlery.com/blog/flag-fruit-kabob-recipe/>

4th of July Clothespin Wreath

- 12 in wreath frame
- 2 packs of clothespins (This wreath takes 60 clothespins to make but there are only packs of 50 at Walmart which are \$1 each.)
- Glitter Stars foam stickers
- red, white and blue paint (acrylic or spray)
- paint brush

<http://www.preciouslypaired.com/4th-of-july-clothespin-wreath/>



HOW TO EFFECTIVELY DISINHERIT A CHILD



For many of our clients, their relationship with their children can change over the years. Sometimes, relationships change to the point of no longer wanting that child to be part of your estate plan. When this happens, it's important that your estate plan and all of your assets are reviewed carefully to make sure that your wishes are honored. We often refer to an inheritance as a "gift", and not an "entitlement", which means you as the owner of your assets may decide who receives what. Under the law, no one is legally entitled to your assets – but if you don't effectively disinherit an individual, they may challenge your trust to claim a portion of your estate. So how do you effectively disinherit someone?

Well first, your trust and will should specifically exclude the individual and expressly state that the person has been intentionally disinherited. That's not all though. If you have assets outside of your trust, such as life insurance or retirement accounts, the beneficiaries of those accounts should also be updated to remove the unwanted person as a beneficiary.



Finally, since even the most well-drafted trusts can be challenged by a disgruntled beneficiary, we sometimes recommend writing a letter, in your own handwriting, explaining the reasons why the person has been disinherited.

This handwritten note can be very useful in avoiding trust litigation because it is often a clear indicator that the you:

- (1) had capacity when you made your decision;
- (2) were not unduly influenced by anyone when making your decision; and
- (3) had a clear thought process behind your decision making.



July 19th Seminar! Take care of your estate plan so you can relax and enjoy your summer vacation!



Each month, we usually conduct a **free seminar** designed to teach about the benefits of creating an estate plan. The seminars are held on-site at our Anaheim office inside of our "classroom". We offer light snacks and refreshments to the attendees and the group is often small and intimate, which allows for questions to be asked comfortably and for a very relaxed

environment. Please **encourage your loved ones to attend** the seminar so that they may learn more about the estate planning process and benefits. We will have another **seminar July 19th!** Please share with family and friends to help others know they are prepared financially for the future!



We hope that you have had the very best experience with our firm! And we hope that you would consider referring a friend that we may be able to help the same way we helped you! Getting a referral from a customer gives us a lot of pride! It shows us that we did a good job and our clients appreciate us!

The Law Offices of James F. Roberts & Associates

3061 E. La Palma Ave.
Anaheim, CA 92806

Phone: 714-459-5481
Toll Free: 866-590-0886
E-mail:
amanda@webuildyourtrust.com



**LAW OFFICE OF JAMES F. ROBERTS
& ASSOCIATES, APC**
ESTATE PLANNING YOU CAN TRUST