



Financial Power of Attorney vs. Incapacity Trustee

September 2018

Most clients are unsure of what the difference is between a Financial Power of Attorney and an Incapacity Trustee. If you have a living trust, your trust names certain individuals as successor Trustee to manage your trust assets during your incapacity and upon your death. Generally, the successor Trustee would step in to manage your trust assets only after two licensed physicians have declared you incapacitated. However, the successor trustee would only be able to manage those assets that are inside of the trust, such as bank accounts, real estate and investments. There are many matters that might arise outside of the trust, such as those involving IRAs, 401ks, taxes, social security, Medicare issues, etc. – these are all matters unrelated to the trust and therefore, the successor Trustee would not have the authority to transact on your behalf with regards to these matters.

That’s where the financial power of attorney comes in. The financial power of attorney grants one or more individuals (known as agents) the ability to deal with all of your non-trust affairs during your incapacity, and generally it also becomes effective only upon the declaration of incapacity by two licensed physicians. It’s important to periodically review who your financial power of attorney and incapacity trustee is – since this is a person who would be managing all of your finances and day-to-day affairs during a period of incapacity. If you would like to discuss this with your estate planning attorney, please contact our office at (714) 282-7488 to schedule a consultation.



IN THIS ISSUE

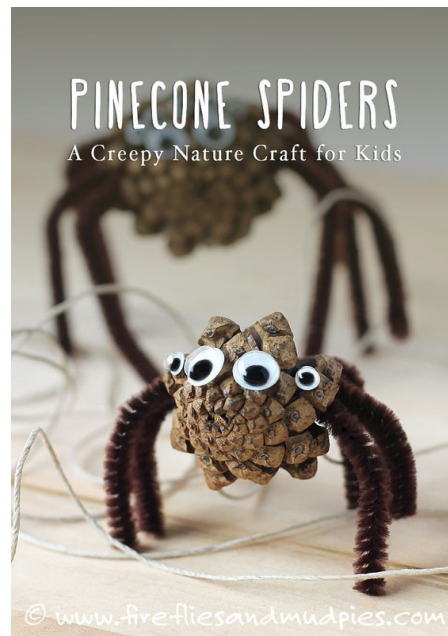
POA vs Trustee	1
Pinecone Spiders.....	2
Apple and Pear Chips	2
Prop 13	3
Seminar	4
Refer a Friend.....	4
Family Days	4



Pinecone Spiders

TO MAKE THIS CRAFT YOU WILL NEED

- [round pine cones](#)
 - [wiggly eyes](#)
 - [brown pipe cleaners](#)
 - [scissors](#)
 - [low-temperature hot glue gun](#) and [glue](#)
 - [cotton butcher's twine](#)
- ◆ Wrap 4 full-length pipe cleaners around the pine cone to make a total of 8 legs. Shape the pipe cleaners into spider legs, adjusting the length with scissors if necessary.
- ◆ Next, attach the wiggly eyes with hot glue to the bottom of the pine cone. We used images of real spiders as inspiration and learned that most species of spiders have 8 eyes! Some species have 6, and most ground-dwelling spiders have no eyes.
- ◆ Invite your child to use cotton butcher's twine for creating spider webs, or have some good old-fashioned fun with the water-spout!



Find full details here: <https://www.firefliesandmudpies.com/pinecone-spiders/>

APPLE AND PEAR CHIPS



DIRECTIONS

- ◆ Preheat the oven to 275 degrees.
- ◆ Prepare 3 baking sheets with parchment paper.
- ◆ Using a mandolin, slice the apples and pears ¼ inch thick. Line each sheet with apples and pears. Bake for 1½ hours, then turn over and bake for another hour or until golden brown and crispy. Sprinkle with cinnamon and enjoy!



INGREDIENTS

- Apples
- Pears
- Cinnamon

<https://sugarandcharm.com/2015/09/how-to-make-apple-and-pear-chips.html>

CAN MY KIDS INHERIT PROP 13 OR WILL MY PROPERTY TAXES INCREASE AFTER DEATH?

This is a common question asked by our clients. Often, they are pleasantly surprised to learn that their property tax rates under Prop 13 can be preserved when the property is inherited by the children.

Proposition 13 is a law that restricts your property tax rates from increasing, despite the increasing fair market value of your home. It ensures that your property tax rates are based on what you purchased your home for, and not the current market value of your home. For many clients, this is a huge benefit, because they purchased their homes many years ago for much less than the value of the home today. Because of Prop 13, someone with a \$1 million home could be paying less than \$2,000 per year in property taxes. Obviously, this is a tax benefit that most people would love to pass on to their children when they die.

13



Currently, property passing to children is able to keep its same tax rate, even after the parents' death, as long as the appropriate forms are filed with the County Tax Assessor's office following the parents' death. However, there are some important caveats to this rule and it is always advised that the children seek the assistance of competent legal counsel prior to transferring any real estate into their names following a parent's death.



Free Seminar



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 AFTER OCTOBER FAMILY DAYS!** Please share with family and friends to help others know they are prepared financially for the future!

OCTOBER FAMILY DAYS:

We have 5 sessions available to attend.

- ◆ Saturday, October 6, 2018 9:30am-11:30am & 1pm-3pm
- ◆ Thursday, October 11, 2018 6:00pm – 8:00pm
- ◆ Saturday, October 13, 2018 9:30-11:30 & 1-3

You only need to attend **ONE of the sessions. In order to attend you **must** bring a family member, successor trustee, or friend whom is NOT a client of ours.



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!

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