

Sharper Solutions

A Word from Cynthia Sharp



The death of Ronald Reagan has brought the topics of Alzheimer's disease and the role of caregivers to the forefront.

keeping all members attuned to the latest developments in all aspects of the estate planning fields.

In June, I was the featured attorney on the website www.elderlawanswers.com. If you would like to have a reprint of the article, please give our office a call.

Check out our
BRAND NEW website
www.sharpbratton.com

Do you or your group need a Guest Speaker?

We are available to speak to your professional, civic, religious, or special interest group on various topics (estate planning, elder law, IRA planning, special needs trusts, disability planning and taxation of annuities). Give Tina Lutts a call at 856 546 5666 to arrange a date and time.

GIFTS TO MINOR CHILDREN AND GRANDCHILDREN

Many of our clients ask us about the use of Custodial Accounts under the Uniform Gifts to Minors Act (UGMA). Please call me for our most recent article which describes how these accounts work and compares them with the use of Gift Trusts.

TIPS ON HAVING "THE TALK" WITH AGING PARENTS

If you're a baby boomer, you may already have had "the talk" with your growing child. But have you had "the talk" with your aging parents as well? That talk involves a frank discussion with parents about financial arrangements for the golden years. The discussion should include where the parents want to live, how they want to be cared for if they become ill, how they want their money managed, and what kinds of burial or funeral arrangements they would prefer. The hard part about talking with aging parents is they're used to being in charge, instead of getting advice from their children. Here are some strategies to get started.

1. Use your own planning, or a friend's or relative's illness or death, as an opportunity to start a discussion.
2. Be direct and honest.
3. If your parents are unwilling to disclose a full list of their assets, perhaps they will be willing to write down account numbers without balances or make a list and tell you where the list is kept.
4. Take your parents to a seminar which focuses on these issues.
5. Meet with a lawyer to review your parents' wills, health care directives and powers of attorney for property and health care.
6. Don't expect to work out an entire plan in one sitting.

Sharp Bratton continues to demonstrate the firm's commitment to the Alzheimer's Association through sponsorship of the Helpline in South Jersey. If you know anyone who has a family member or friend who has been stricken with the disease, be sure to have them call 856-797-1212 for support and guidance.

My partner, Charles C. Bratton, II addressed law students at Widener University on the topic of practice development for elder law attorneys.

Charles (Chris) has also been appointed to serve on the Membership Committee of the Camden County Bar Association.

We are pleased to announce Frank H. Rose, Esq. has joined our firm as an associate attorney. He brings 23 years of legal experience to the firm. Stay tuned for more information about Frank.

I was installed as First Vice President of the Estate and Financial Planning Council of Southern New Jersey. The Council is committed to

DON'T FORGET TO CHECK OUT OUR WEBSITE

WWW.SHARPB RATTON.COM

This site will allow you to access Cynthia's and Chris' articles, our newsletters, directions to our offices, our seminar schedule and lots more.

INTERNET CORNER

www.caps4caregivers.org
Children of Aging Parents
[www.ssa.gov/planners/
calculators.htm](http://www.ssa.gov/planners/calculators.htm)

Projections of your social security benefit
www.aging-parents-andelder-care.com

Aging Parents and Elder Care

Finally, don't forget to call us for a copy of our new FREE REPORT which discusses legal rights of nursing home residents. A guide to recognizing elder abuse is also provided.

(continued)

The following are some of the topics that should be covered:

- Paying for long term care
- Establishing powers of attorney

MYTH/REALITY

MYTH: Estate plans only need to be updated if I change my mind about who will serve as executor or if I want to make a change of beneficiary.

REALITY: Estate plans need to be reviewed approximately every three

years. In the past few years, there have been a number of changes in both Federal and State laws. For example many estate planning documents for married couples that were prepared in the past determine the amount of property passing to the credit shelter trust (or family trust) by means of a formula. With the use of a formula, the amount of property passing to the credit shelter trust will likely increase as the scheduled increases in the estate tax exemption amount under the 2001 act take effect. This could result in the credit shelter trust being funded with an amount that is more than is desired or was anticipated at the time that the will or living trust was signed. In addition, with changes to the state death tax in many states, a fully funded credit shelter trust, while potentially saving future federal estate tax, may cause the estate to incur state death tax in the first estate. One of our clients received an unpleasant surprise recently when we informed him that he was required to pay a \$30,000 state estate tax liability at the death of his wife, all because they failed to update their documents before her death.

Periodic review by counsel of existing documents is advisable to

ensure that the estate plan continues to meet your needs and conforms to your wishes, as well as to afford the opportunity to make any needed changes.

In light of the indeterminate estate tax consequences occasioned by the 2001 and 2002 changes in Federal and New Jersey estate tax law, we normally do not recommend an estate plan for married persons with set formulas for the funding of the credit shelter trust. Instead, we use a more flexible approach.

We normally recommend wills with disclaimer provisions, in which assets are left to the surviving spouse but subject to the right of disclaimer, with the disclaimed assets to pass to the credit shelter trust. Please call us to schedule a review meeting so that we can make sure that your estate plan is up to date.

This Newsletter is general in nature and designed to bring a variety of legal issues to your attention and is NOT intended as a substitute for legal advice.

Please feel free to make copies of this Newsletter for your friends and clients. If you know someone who would like to be added to our mailing list, please call or e-mail us with their name, address and phone number.