



# PEACE OF MIND™ NEWSLETTER

*“Exclusively for POM Members”*

2479 E. Bayshore Road, Suite 220  
Palo Alto, California 94303

Winter, 2016



## **Will President Trump Eliminate the Estate Tax?**

President elect Trump has consistently stated that he would eliminate the estate tax. No details are known about his plan. One suggested approach would eliminate the estate tax but effectively increase capital gains taxes.

Congressional action on this tax proposal is expected in short order. But it will not be simple because it will be part of a broader tax overhaul that will address countless complicated issues.

And remember this: any changes made in 2017 could be nullified by changes made four years later if a different political party is in the White House and controls congress.

## **Emerging Importance of IRA Trusts**

Most of us rather automatically name our children as beneficiaries of our IRA, 401k, and other retirement assets. GLA attorney, Elijah Keyes, reminded us in a POM seminar that it is often much better to name an IRA Trust as the beneficiary of IRA and other such accounts. Why do so?

The IRA trust can ensure that no unwise, tax-generating, premature distributions are made by your child/beneficiary. This dramatically enhances the likelihood that there will be money remaining in the trust for the next generation, your grandchildren.

This trust approach also enables you to name the individuals, presumably your grandchildren, as the recipients of any money remaining in IRA accounts after your child or children pass. If you leave the money to a child, your child decides who will inherit those remaining assets.

This approach can also provide substantially greater protection for IRA assets from litigation.

If you have over \$100,000 in IRA accounts, this is an approach to seriously consider. Use your free annual Peace of Mind consultation to meet with Mr. Keyes or another GLA attorney to discuss an IRA trust.



## Reaffirm Your Advance Health Care Directive

If your Advance Health Care Directive is more than three or four years old, we strongly recommend that you prepare a very short statement, dated today, that you will attach to your copy of the document.

It will state something to the following effect: "I just reviewed terms of my Advance Directive and they continue to reflect my views and my decisions regarding health care."

We recommend this because some physicians worry that older Advance Directives are stale and no longer reflect the wishes of a particular patient.

When you prepare such a statement, we ask you to send us a copy. This is a step you should take every three or four years.

## Creative Use of Your Free Annual Consultation

Remember: You can use your free hour to discuss any topic at all. It need not focus on your trust and estate planning we have done for you.

In November, Mr. P used his free hour to discuss his parents' situation in Florida. In that meeting, he learned about VA benefits that will likely be available, home care programs in Florida, and in general terms, how Medicaid eligibility is established in Florida. He was also given the name of an experienced, trusted attorney in Florida who can give him state specific advice.

In October, Mr. J had his 19 year old child, recently off to college, meet with attorney

Mark Gilfix to discuss documents that he should sign. Mark recommended both a Durable Power of Attorney and an Advance Health Care Directive because this young man wants his parents to have access to medical and other records at the university he will be attending. Without such documents and waivers, his parents could obtain no medical information at all. He and his parents worry about a medical condition that he has.

If you do not plan on using your free hour, give it away! You can give it to a relative or a friend.

Peace of Mind member, Mrs. L, was in a difficult spot. Her only real asset was her Campbell, California residence, a two bedroom, one bath home valued at perhaps \$750,000. She decided to live in a senior community and she wanted to buy a condominium for her disabled son, now 51 years of age.

At her daughter's urging, she came to see us – to use her free annual consultation. We advised her about a) ways to reduce capital gains tax, b) planning steps to build into the Special Needs Trust in the event that her son is not able to live there, c) the need to put cash into the Special Needs Trust along with the condominium – to pay tax, insurance, etc., and d) how to choose a trustee for her son's Special Needs Trust.

As a result of the meeting, three significant changes were made in her estate planning documents, her son will enjoy dramatically more protection, and most importantly, she will be able to sleep better at night.



# UPCOMING EVENTS

Please call (650) 493-8070. Space is limited.

## EXCLUSIVE PEACE OF MIND SEMINAR

### The Trump Presidency

Presented by:  
Michael Gilfix and Mark R. Gilfix

Wednesday, January 25, 2017  
2:00 PM

Bay Cafe  
1875 Embarcadero Road  
Palo Alto, CA 94303

Please call 650-493-8070 to RSVP.

### ★Use or Share your FREE hour POM consultation★

Remember: If you do not plan on using your annual consultation, let a family member use it. It is transferrable. Use the attached certificate and just make the appointment!



## PEACE OF MIND

### FREE CONSULTATION\* CERTIFICATE

I/We, \_\_\_\_\_, give to \_\_\_\_\_  
[POM Member] [Recipient]

our 20\_\_\_\_, annual free Peace of Mind Consultation to be used on or before  
\_\_\_\_\_, 20\_\_\_\_.

Dated: \_\_\_\_\_

\_\_\_\_\_  
[POM Member]

\_\_\_\_\_  
[POM Member]

\*When calling to make this appointment, please indicate that you have this Certificate.



GILFIX & LA POLL ASSOCIATES, LLP

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Member Newsletter

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Exclusive Peace of Mind Seminar

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*Gilfix &  
La Poll*  
Associates LLP 

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