

Estate Planning Matters

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Attorneys at Law

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Attorney's at Law

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The legal services of Kramer Radin, LLP
include estate planning, trusts, probate
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resolution.

Meet MIT's AGNES

A laboratory at Massachusetts Institute of Technology has a suit of clothing named AGNES (Age Gain Now Empathy System). It is a jumpsuit with braces and elastic bands to help teach engineers in their 20s and 30s how to design products for the Social Security set.

AGNES includes earplugs to reduce hearing, double rubber gloves to reduce tactile sensation and restrict movement of the hands as well as wrist guards, neck collar, and knee and elbow braces to restrict movement. Foam padded shoes are used to throw off the subject's balance. Yellow goggles mimic the yellowing of eye lenses.

...designing
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ture...

James Coughlin, founder of MIT's AgeLab, created the lab almost 10 years ago to help businesses make products for people over 60—the fastest growing segment of the world population. He said, "It's about designing the lifestyle of the future." He sees future products that incorporate his lab's research.

The key is to design products with features that benefit customers of every age. Examples include packages that are easier to open and labels that are more readable. BMW redesigned the controls in some of its models based on AgeLab research.

In addition to the AGNES work, the AgeLab is also researching other areas of concern for the aging such as driving, nutrition and even funeral planning. One project is a scanner that would compare items in a grocery cart with medical data on a "smart card" carried by a shopper. If the scanner found something in the cart that the shopper should not eat, it would suggest safer alternatives.

The Baby Boom generation continues to influence institutions to adopt a new perspective on doing business.

Who Gets What?

When we meet with clients to discuss their estate planning goals and needs, most people concentrate on their assets that have monetary value. (continued next page)

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When we meet with clients to administer an estate following the death of a loved one, we usually have the decedent's Trust or Will that names the beneficiaries of the estate. What we usually do *not* have is an indication of how the personal property should be divided.

For example, Mom stated in her Trust that everything should be divided in equal shares among her three children. The house is listed and sold; proceeds are split evenly among the three. The bank and brokerage accounts are liquidated and the funds evenly divided.

The difficult part begins with how to value and evenly divide the end table Grandpa made that has been a part of the children's lives for over fifty years. Then there are the tools, jewelry, china, crystal,

...how to value and evenly divide the end table Grandpa made...

Hummel collection, golf clubs, piano, etc. to consider. Families are sometimes torn apart over these things.

We have found that when clients have carefully considered who should inherit certain items and talked with their loved ones about the decisions, it will often prevent misunderstandings and family dissension. This consideration also adds a much needed personal connection to a process that can feel cold and administrative to those who are grieving. Our estate planning clients are provided with a Personal Property Instruction form to assist them with this.

One tool we found that may be of assistance to ease the process is the *Who Gets Grandma's Yellow Pie Plate? Workbook* published by the University of Minnesota Extension available at extension.umn.edu, Amazon.com, barnesandnoble.com and other online sources. It encourages families to evaluate and discuss what things are important to each person and,

hopefully, avoid dissension after a loved one's passing.

Pet Trust Law Change

There are many ways for people to provide for their beloved pets. One way is to include them in your estate plans with a "pet trust" to ensure the pet is taken care of by a willing and responsible party following the person's death. In the past there have been serious problems of enforcement because there was no requirement for naming a beneficiary or an interested third party who could seek enforcement of or compliance with the terms of the trust.



However, effective January 1, 2009, there is a new law that creates a mechanism by which a trustee is held fully accountable so the intent of the trust can be achieved. The law requires a Court to "liberally interpret" an animal trust and presume against an interpretation that it is merely honorary in nature which would render the trust ineffective. The law provides the Court with authority to name a trustee, to transfer trust property as specified in the trust and the authority to determine the order of disposition of trust property upon termination of the trust. The Court may also appoint a nonprofit charitable corporation as trustee.

This law, Probate Code §15212, allows beneficiaries of the trust, a person designated by the trust, nonprofit charitable organizations or a person appointed by the Court to act as an "enforcer." Upon reasonable request to the Court, the "enforcer" may inspect the animal, inspect the premises where the animal is maintained and inspect the books and records of the trust. All trusts with a value over \$40,000 must provide an accounting to any other beneficiaries that requests an accounting. (continued next page)

"There are only four kinds of people in the world...

- Those who have been caregivers
- Those who currently are caregivers
- Those who will be caregivers
- Those who will need care giving"

- Rosalyn Carter, February 13, 1997

The new law holds that a trust for the care of a domestic or pet animal is now considered a trust for a lawful uncharitable purpose and terminates when no animal is living on the date of the settlor's death unless otherwise provided for in the trust.

We know many was to help you provide for your beloved pet; please contact us.

The Value of Reminiscing—Ethical Wills

All people reminisce. Remembering times past is a pleasant diversion, stimulates the mind and helps give us perspective and a sense of who we are.

As seniors recall their accomplishments and come to terms with past conflicts and disappointments, they achieve a heightened sense of personal identity and meaning in life.

Sometimes family members and friends become concerned when a loved one repeats stories. However, this can be a beneficial part of the life review process and the listener needs to recognize this. The stories may be those that the person finds the most pleasant to recall or may concern a situation that he or she is still working through the emotions that are evoked.

Journal writing also provides a way for people to reminisce and pass on the stories of their lives. Many enjoy the process and tangible evidence of the written word.

The journal, in fact, may lead to the writing of an Ethical Will. An Ethical Will is not a legal document but a document in which a person tells his or her own story—how they became who they are, what was important to them at a critical time, what they hope for the future. An Ethical Will does not pass material possessions to one's heirs, instead,

it passes one's values and life lessons.

Life review and discussion of the past is a beneficial activity. When two people first meet, there is a tendency to review certain aspects of each other's past as a "getting to know you" technique. This also helps older adults maintain a positive outlook and pass on one's history and lessons learned in the course of living.

Dementia Triples Health Care Costs

According to the Alzheimer's Association's 2009 Alzheimer's Disease Facts and Figures, total health-care costs are more than three times higher for people with Alzheimer's and other dementias than for other people age 65 and older.

People with dementia are high consumers of hospital, nursing home and other health and long-term care services. Most people with Alzheimer's disease also have one or more additional serious medical conditions such as diabetes or heart disease. These patients threaten to overwhelm Medicare, Medicaid and millions of families.

According to Facts and Figures, in 2008 nearly 10 million Alzheimer caregivers in the U.S. provided 8.5 billion hours of unpaid care valued at \$94 billion. In addition to the unpaid care families contribute, the report also reveals that Alzheimer's creates high out-of-pocket health and long-term care expenses for families.

Beginning May 10th HBO will be presenting a documentary series called the Alzheimer's Project. It will focus on Alzheimer's disease: its causes, symptoms, treatment and possible cures. It is part of a nationwide community-based outreach campaign.

Reminder

Your estate plan should be reviewed with us every 3 years or whenever any of the following occurs:

- Change in your marital status
- Birth, adoption or death of a child
- Birth, adoption or death of a grandchild
- Marriage or divorce of a child
- Death of a parent
- Significant increase or decrease in wealth
- Receipt of substantial inheritance or gift
- Change in your relationship with or death of the individual you have named as Executor, Successor Trustee, Guardian, or Agent under the Powers of Attorney
- Change in state law
- Change in federal tax laws

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