



Law Office of Stephanie L. Schneider, P.A.

FL-ELDERLAW NEWS

“Proper Planning May Create Peace of Mind”sm

Law Office of
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Board Certified Elder Law Attorney

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New Estate Tax Law Passed

The new estate tax exemption, signed into law by President Obama, is \$5 million dollars per person. A married couple can pass on wealth of \$10 million.

The law is retroactive to January 1, 2010. This means that any anyone owning total assets valued under \$5 million at death will not incur an estate tax. Any assets exceeding \$5 million dollars will be taxed at a 35% tax rate.

The new law is effective for two years. If Congress does not change the law by 2013 it will revert to a \$1 million exemption and a 55% tax rate.

A unique feature of the new law is that if the first spouse to die has not used all of their \$5 million dollar exemption then the estate of the surviving spouse (when that spouse dies) can use it upon their death.

The 35% tax rate will also apply to gifts made during life that exceed \$5 million dollars. There is currently an annual \$13,000.00 gift tax exclusion. This means an individual can make \$13,000.00 gifts between January 1st and December 31st to an unlimited number

of people *without incurring a gift tax*. A married couple receives double this benefit and can gift up to \$26,000.00 per person per year without incurring a gift tax.

As your trusted advisor we want to ensure you timely take advantage of the estate planning options. If your gross assets exceed \$5 million dollars please call our office immediately to arrange a consultation to discuss your estate plan.

Even if your estate is valued under \$5 million dollars it is still important for you to consult with us so that your assets pass outside of probate and a plan is created to avoid guardianship in the event of your physical or cognitive incapacity.

We are pleased to extend a courtesy discount on the consultation to you and those whom you refer to our office.



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Stephanie is recognized as Top Elder Law Attorney in Florida

Has Your Contact Information Changed?

We want to keep you up-to-date on changes in the law as well as new planning options. Please notify us if your address, telephone number, or e-mail address has changed. Thank you!



Did You Know We Are a Full Service Elder Law Firm?

Recently, one of our clients for whom we did long-term care planning for his Mother called to advise that his Mother had passed away. While her passing was a sad event the client had the peace of mind of knowing that he had arranged for the best possible care for his Mother and she had died peacefully.

Our firm achieved a great result of qualifying the client's Mother for nursing home Medicaid. The assets we preserved were able to be used to supplement her quality of life and care by providing private duty care, a private room, etc.

When the client notified us that his Mother had died he advised us he was going to contact his Mother's former attorney to probate her estate. We were surprised since we thought our client knew that we also handle probate matters. We advised our client that our firm is a **full service elder law firm** and we could efficiently handle the probate for him. The client was very relieved that he could continue to work with us and did not need to go elsewhere.

As a full service elder law firm we provide the following services:

- ▲ estate planning
- ▲ incapacity planning to avoid guardianship
- ▲ guardianship for adults

minors

- ▲ guardian advocacy for developmentally disabled adults
- ▲ government benefit counseling (Medicaid, SSI, Veteran Aid & Attendance)
- ▲ asset protection planning
- ▲ probate administration
- ▲ trust administration
- ▲ resolving issues on long term care policies
- ▲ counseling on long term care options
- ▲ counseling the financial and medical agents named in your legal documents about their responsibilities
- ▲ We handle guardianship and probate court matters in Broward, Dade and Palm Beach counties as well as other counties around the State of Florida.

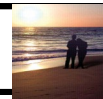
We want to be your trusted planning advisor through life. Stephanie and our team of professionals are dedicated to helping you achieve peace of mind!

The Firm's Recent Success

If you have a family member or, friend who has a child with a disability you probably know the challenges it presents to the parents. When a person with a disability is receiving Medicaid and/or SSI benefits and he/she receives money (from a lawsuit or inheritance) it can unintentionally cause the child to lose benefits.

We recently were asked to create a **special needs trust** for a young man who lost his Medicaid and SSI benefits as a result of receiving a personal injury settlement. The first settlement had been received several years ago and the Mother didn't advise the Court or the attorney that her son received government benefits. Once the government agencies learned of the assets the benefits were terminated.

We successfully obtained court approval to create a special needs trust and transfer the assets into the trust; the final settlement proceeds were also placed in the trust. Now, the young man's Guardian can re-apply to Social Security for benefits. The special needs trust assets will last longer by having the government pay for certain approved items.



It's Time for a Legal Check-up!

Happy New Year 2011! What a great time to create and achieve new goals that bring you peace of mind and fulfillment. We encourage our clients to have a legal check-up a minimum of every three (3) years. Why? The simple answer is that life's circumstances change which can affect the advice we have previously provided to you.

A legal plan (whether it is an estate plan or long-term care plan) is something that constantly evolves and takes on new dimension. When certain events change in your life it may necessitate changes to your plan so you can still achieve your goals.

As your trusted advisor we want to meet with you and review what is happening in your life. We can then determine if it affect documents we previously prepared or, long-term care planning recommendations we made.

Ask yourself if any of these events have occurred in the last two (2) years:

- ▲ your spouse died (we hope you are surrounded by loving memories)
- ▲ you remarried (congratulations!)
- ▲ you divorced your

spouse (when one door closes another door opens)

- ▲ a new child was born (mazel tov!)
- ▲ a new grandchild was born (congratulations!)
- ▲ you adopted a child (what a blessing!)
- ▲ You inherited money
- ▲ you won the lottery (way to go!)
- ▲ a person you named as a beneficiary in your Will or Trust has died
- ▲ a person you named as a financial or medical decision-maker in your documents is ill or has died.

If the answer is 'yes' to any of the above, please contact our office immediately to arrange a consultation to discuss the impact of your life changes on your legal plan. As your trusted advisor we will counsel you on how to modify your plan so it continues to fulfill your needs and achieve your goals. We are pleased to offer a courtesy discount on a consultation to you and those you refer to us.

Stephanie's Quarterly Planning Tip

Welcome to our new column where we share a planning tip to help you and your family.

Tale: A new client retained our services to probate her Father's estate. We asked the daughter to identify the children of her father - both those born to the family as well as adopted. Sheepishly she told us that her Father had been involved with a woman and conceived a child born out-of-wedlock. The Father's name was not listed on the child's birth record. Her Father never married the child's mother. Years later her Father married her mother and invited the child who was born out-of-wedlock into his home and verbally acknowledged that he was the Father.

The Father died without a Last Will & Testament. Florida law provides that children inherit equally. However, this does not apply to a child born out-of-wedlock.

The Tip: A child born out-of-wedlock only inherits from the father if one of the following steps is taken while the parent is alive:

1. The natural parents participate in a marriage ceremony before or after the child's birth;
2. The father's paternity is established by a court before or after his death;
3. The father acknowledges his paternity in writing.

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Government Benefits Planning:

- ◇ Medicaid
- ◇ SSI
- ◇ VA

Estate Planning:

- ◇ Wills, Trusts
- ◇ Living Wills
- ◇ Deeds
- ◇ Durable Powers of Attorney
- ◇ Healthcare Surrogate

Domestic Partner Estate Planning

Guardianships:

- ◇ Adults
- ◇ Minors

Probate

Medicaid Applications & Appeals

Special Needs Trusts

Advocating for Facilities Residents' Rights

Meet the Staff

Yvette Wilson, Certified Paralegal
Gwynne Layne, Client Liaison
Andrea Kong, Client Liaison
Hillary Josephs, Business Development Coordinator

Congratulations Stephanie!

Be Sure to File Your Homestead Exemption

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If you or, someone you know is in this position and you want the child to inherit from you when you pass we recommend that you acknowledge your paternity in writing and keep the writing in a safe place and notify a trusted person of the document. Otherwise, your child may very well not inherit anything and that would be an unfortunate memory to leave behind.

Please make an appointment to consult with Stephanie about making or, revising your Last Will & Testament or trust agreement to acknowledge children born out-of-wedlock.

Stephanie L. Schneider Board Certified Elder Law Attorney has been recognized by South Florida Legal Guide and Florida SuperLawyers as a *top elder law attorney* for 2011.

The timely filing period for **Homestead Exemption** for 2011 is from March 1, 2010 to March 1, 2011. The Absolute deadline to **Late File** for any 2011 exemption is September 19, 2011. State law does not allow late filing for exemptions after this date regardless of the reason for missing the date.

Learn more at the Broward County Property Appraiser's Network at:

<http://www.bcpa.net/homestead.asp>