

# ESTATE UPDATE

THE ESTATE PLANNING & LEGAL NEWSLETTER OF THE LAW OFFICE OF SJOSTROM, LOFTHUS & ROUSAR, PLLP

VOLUME 6, NUMBER 1

WINTER 2010

## SEASONS GREETINGS AND HAPPY NEW YEAR



### **BREAKING NEWS - Estate Tax**

As this issue of Estate Update was going to press, the President and Congress tentatively agreed to a two year extension of the “Bush

Tax cuts”. The current “agreement” states there will be no Federal Estate Tax on Estates under **\$5 million** through the end of 2012. We will keep you updated.

## THANK YOU FOR THINKING OF US

Many of our clients have paid the highest possible compliment to our office by giving the name of our law firm to family, friends, neighbors, colleagues and co-workers.

Each time a new client contacts our office, we ask how they heard about our law firm. We are so grateful when we are told that a current client gave our name and number.

Due to the strict confidentiality obligations imposed on lawyers regarding the attorney-client relationship, we are generally unable to drop a thank you card in the mail specifically identifying the name of the new client that came to our office because of the recommendation of a current client.

Therefore, we wanted to take a few lines in this edition of our newsletter to state our sincere appreciation for the confidence that you show in us by giving our name to others. We strive to provide service that is worthy of your recommendation.

### **ESTATE PLANNING IS:**

**TAKING THE NECESSARY TIME TO PROTECT WHAT YOU HAVE SPENT YOUR ENTIRE LIFETIME CREATING.**

If you have a **WILL** and it has been more than three years since you have reviewed it, please contact our office for an **ESTATE REVIEW**, the first ½ hour is **FREE**.

If you have a **TRUST** and it has been more than one year since you have reviewed it, please contact our office for an **ESTATE REVIEW**, the first ½ hour is **FREE**.



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**Scott W. Lofthus** (1956 - 2001) Our colleague & friend

## RETURN SERVICE REQUESTED

### LEGAL PLANNING TIPS: SMALL IDEAS WITH A BIG IMPACT

**ESTATE PLANNING TIP:** **ESTATE PLANNING FOR DISABLED CHILDREN** - Many of our clients have children (both minors and adults) who live with special challenges. The importance of giving careful consideration to the best way to give assets to disabled persons can not be understated. Improper planning can result in the disqualification of a disabled person from the governmental benefit programs. Federal and State laws allow parents of special children to create Trust funds that will allow for the assets to supplement the needs of their disabled children while preventing the loss of public program assistance. Some parents have chosen, despite the risks, to simply allocate the share of the disabled child to their other children with the hope that the other children will take the necessary steps to assist their sibling from the additional funds they received from Dad & Mom. Our office can assist you when reviewing the possible options for a disabled child.

**BUSINESS PLANNING TIP:** **RECEIVING PAYMENTS ON "PAST DUE" ACCOUNTS** - In today's economy, many of our business clients have found some of their customers struggling to keep current on their bills. If a customer is struggling financially, they may file bankruptcy. If that happens within 90 days of the date that you were paid on a "past due" invoice, the bankruptcy trustee can take the money back from you. Because of that harsh result, we recommend that, when a struggling customer pays late on their bills, you make a note on your calendar 90 days out from the date of each "past due" payment. Once you hit that date for each payment, you are free and clear. Until that time you can use the money, but you must hope the customer stays financially viable & non-bankrupt.

**PERSONAL PLANNING TIP:** **REAL ESTATE DISCLOSURES** - A number of our clients have been surprised at the paperwork necessary today when they try to sell their homes. Over the years, the laws have changed to require the home seller to make more extensive disclosures to potential home buyers. These laws were written with the purpose of protecting potential buyers from unscrupulous sellers. Due to the changes in the laws, the length of the average "Purchase Agreement" (the document which memorializes the terms of the house sale) is much longer than many clients remember. Whether you are selling a property with a realtor or by yourself, our office is available to assist you in making sure that the appropriate disclosures are made in a Purchase Agreement.

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If you would like our newsletter e-mailed to you, please send an e-mail to [erousar@visi.com](mailto:erousar@visi.com) with the word "newsletter" typed in the subject line and your name in the body of the e-mail.

**DISCLAIMER:** The contents of this newsletter are presented as general information and are not intended as legal advice to apply to any person or particular situation. Additionally, be mindful that the law is constantly changing and you should always inquire about the present state of the law in reference to all matters. If you have any questions concerning any matters covered in this newsletter, you should consult with an attorney for legal advice based on the individual circumstances of your situation.