I Love You, But... IOU
Estate Planning Considerations for Unmarried Couples

“Marriage” without a marriage license is a growing trend. Over 5 million unmarried couples, in both heterosexual and same-sex relationships, live together in the U.S., and in 2007 almost 40% of babies born had unmarried parents.

Many committed unmarried couples create legal documents concerning issues like property ownership and child custody to ensure they enjoy the rights afforded married couples. Fewer plan for life after a partner passes away, sometimes with devastating consequences. While the legal system is designed to protect the interests of married couples, the same does not hold true for unmarried couples:

- Committed unmarrieds do not qualify for the marital deduction. The estate tax exclusion still applies, but committed unmarrieds do not qualify for the marital deduction. Any assets over the estate tax exclusion passed to the surviving partner will be subject to estate tax.

- Committed unmarrieds do not enjoy the same inheritance rights as family members. Under default law, assets owned by a person who dies intestate without an estate plan pass to children, siblings, and parents, depending on applicable state law.

- Committed unmarried couples have no right to direct health care decisions. A person in a committed unmarried relationship might not even have visitation rights if their partner becomes ill and is hospitalized. This makes a health care power of attorney essential.

Fortunately, a number of estate planning strategies are available to unmarried couples. Grantor Retained Income Trusts (GRITs) give the surviving partner the rights to income earned. Trusts can be established with each partner designated as the Successor Trustee to ensure assets are distributed properly. Child custody and guardianship documents can ensure children are cared for as intended.

Unmarried couples can require specialized estate planning strategies to ensure their interests are protected and their wishes are carried out. A marriage license is certainly not necessary to build your family, but an effective estate plan is necessary to protect them.

inside this issue

1 I Love You, But... IOU
2 Where Does the Money You Donate Actually Go?
2 The Power of Online Reviews
3 Your Business, Your Family
3 What’s In a Legacy?
Where Does the Money You Donate Actually Go?

Donating money to charity is a selfless and generous act. But how can you know the money you donate actually goes where you want it to go? Here’s how you can investigate whether or not a charity is valid and how the charity uses the funds it receives.

First, make sure the charity is a qualified charity. Go to www.irs.gov, click the “Charities & Non-Pros” tab, and “Search for Charities.” All charities registered and eligible to receive tax-deductible contributions are listed. Some charities are not listed as qualified charities. If that is the case, your donation will not be tax deductible. (However, the organization may be worth supporting nonetheless).

Then, go to www.bbb.org to see if any complaints have been filed with the Better Business Bureau, especially if the charity is local or relatively small.

In order to determine how the charity uses the donations it receives, go to www.charitynavigator.com. Enter the charity name to learn more about its stated mission, annual revenue, and, most importantly, how it spends its resources. Check out the percentage breakdown of expenses: fundraising expenses (the cost of raising money), administrative expenses (the cost of running the charity), and program expenses (money spent for charitable purposes). The higher the percentage of funds spent for program expenses, the more efficiently the charity uses your donations.

Ratings are also provided. Donors, volunteers, community partners, and recipients of charity provide feedback and ratings.

You can read reviews and provide your own review if you like. Finally, pick up the phone and give the charity a call. Ask for information. Ask questions. Often you can specify how you wish your donation to be used. Donating to a charity is a wonderful way to help those less fortunate—make sure your donation truly helps build a better world.

The Power of Online Reviews

Any company can advertise, but actual reviews written by real customers speak volumes about the quality of a product or service. Online reviews can serve as a real-time Better Business Bureau, making a huge impact on the businesses reviewed and other consumers’ purchasing decisions.


In fact, you can even review us! Go to www.avvo.com or www.kudzu.com as well as sites like Insider Pages, Yellow Pages, Google Places, and City Search, and leave a review. We’re proud of the personalized service we provide every client, and we will be honored if you share your positive experiences with others.
Your Business, Your Family
Navigating the Tricky Waters of Business Succession Planning

Many business owners see their business as an extension of themselves, and they hope their business will be carried on by the next generation. Yet 85% of family businesses fail during the succession process due to family disputes and to heirs who are unprepared to run the business.

Succession planning for a family business involves a lot more than getting your son or daughter ready to take over. Many business owners do not have a succession plan that covers the unexpected. Sometimes, sadly, their own death can mean the death of their business as well.

Imagine you own a business that makes up half the value of your estate. You have two sons and a daughter. You want your daughter to inherit the business. Leaving an equal share of your estate to each child is impossible unless the business is sold. One way to solve this problem is to use life insurance as an estate planning tool. If the business is worth $2 million and you own $2 million in other assets, purchase a life insurance policy worth $2 million naming your sons as equal Beneficiaries. Leave the $2 million business to your daughter and half your non-business assets to each son; insurance makes up the difference.

Life insurance policies can also be a straightforward way to deal with the sudden death of a business partner. You can include a buy-sell clause in your partnership agreement, and have each partner take out a life insurance policy that names the other as Beneficiary. In this way, the life insurance proceeds can ensure that the surviving partner has the means to purchase the deceased’s share of the business.

To ensure that day-to-day operations continue and major decisions can be made if you are incapacitated, set up a Power of Attorney that allows your agent to act on your behalf. Specify the circumstances and scope of authority granted to your agent.

Consider placing the business in a Trust. A Trust does not require Probate and keeps your business and family affairs confidential and private.

Finally, don't forget the impact of family dynamics. Business succession planning requires expert advice and guidance. We will do everything possible to help you ensure that both your family relationships and your business survive your passing.

Life insurance can be used strategically in personal estate planning. If you have multiple children and want to leave your home to one, a life insurance policy could be used to ensure the home will not need to be sold to create equal shares of your estate. Life insurance owned in an Irrevocable Life Insurance Trust ("ILIT") can pass free of income and estate taxation at your death.

What’s In a Legacy?

It’s often said that true character is revealed in adversity. This individual revealed incredible strength, grace, and dignity in the face of tremendous adversity.

An attorney, teacher, health care activist, and best-selling author, she was married to a U.S. Senator and vice-presidential nominee when she was diagnosed with breast cancer. She became an advocate for women’s health and cancer patients while continuing to support her husband’s campaign. Three years later she discontinued treatment, saying, “I have found that in the simple act of living with hope, and in the daily effort to have a positive impact in the world, the days I do have are made all the more meaningful and precious. And for that I am grateful.”

Elizabeth Edwards survived the loss of a son and massive publicity over her husband’s infidelity only to succumb to cancer, yet she triumphed over the adversity in her life, displaying poise, dignity, and courage to the end. She left a distinctive legacy of dedication to public service.

What will your legacy be?
Message From the Firm Partners
Bradley Anderson, Gerald Dorn & Bryce Rader

We continue to expand our capabilities and services to meet the demands of a complex, dynamic estate planning practice and the challenges of our growing client database. Life moves forward at an ever-increasing rate and experience has shown that the solutions that seemed to work so well yesterday may no longer be adequate to fully protect our clients and their families today and into the future.

We are constantly striving to improve our level of service, just as we strive to improve our knowledge. Our attorneys are constantly involved in continuing education, both as students and as presenters. We will be presenting a class to attorneys and paralegals in Nevada Legal Services as well as participating in the American Academy of Estate Planning Attorneys conference in San Diego, California later this year.

As you know we recently opened the Las Vegas office and are happy to report that our growing client base is able to take advantage of all the benefits that our clients in northern Nevada have enjoyed over the years.

Please let your family and friends know about our monthly seminars as we want to have more clients just like you.

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We value our clients and will always be available for you and your family. As a valued client and friend of our law firm, please let us know if we can send a nice invitation to a friend or family member to attend a seminar or simply come in for a free consultation. To learn the latest about estate planning, please subscribe to our Blog www.blog.wealth-counselors.com Like us on Facebook and Follow us on Twitter! Please don't hesitate to call us!

AD & R in Reno (775) 823-WILL (9455) or AD & R in Las Vegas (702) 212-1110

Save the Date: October 20, 2011 for our Financial Series Workshop at the Homewood Suites in Reno. Keep your eyes open for our invitation!

www.probatebusters.com
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