



YOUR ESTATE MATTERS!

A Newsletter by McCrary Law Offices

Spring 2011

NEWS ALERT! SEE PAGE 4

GIFTING OPPORTUNITIES

NEVER BETTER TIME!

ESTATE AND GIFT TAX – ONLY A TEMPORARY FIX! **STAY TUNED!**

After many weeks of wrangling, Congress and the President have come to terms on a Tax Law change for the Estate and Gift Tax.

It is important for you to realize that: THESE CHANGES ARE MERELY A TEMPORARY FIX – THEY ARE NOT A PERMANENT CHANGE.

Regardless of the fact that they have now agreed that you may pass tax free for the next 24 months beginning January 1, 2011, \$5,000,000 in estate value, free of estate tax and anything over and above that is taxable at the rate of 35% (married couples can transfer \$10 million), if you live beyond 2012 the exemption drops back to \$1,000,000.00 and you can only pass tax free, \$1,000,000.00 per person or \$2,000,000.00 per couple and the tax rates go up! The long and the short of it is, it depends upon the year of death as to what the exemption will be! That’s just like it was! In addition the \$5,000,000 can be used for “lifetime gifting” for the next twenty-four (24) months.

Therefore, it behooves everyone to continue to have there trust plans in effect on this issue, and have the language be broad enough so that no matter which way the tax law is written, and no matter which year of death is yours, your Trust will be flexible enough to meet the issue. And remember, most people have a trust for incapacity and death probate avoidance, certainty of asset distribution, asset management, privacy, and as a “partner” with your health and asset directives, trust certificates and organizing values, not just taxes.

TRUST REVIEWS – IMPORTANCE DUE TO TAX LAW INSTABILITY

With the new Tax Law changes being done as of the end of 2010, it is important that language in your Trust be flexible enough to be able to respond no matter what the question and no matter what the amount which can be tax free-transferred.

Most Older Trusts done in the years 1997 through 2000 were done with more rigid “shares” and those should be reviewed to make sure that we are able to respond to different tax exemptions for different years of death. The situation is often arising now where in a married couple Trust setting, one person dies and the exemption is in one amount whereas when the other person dies a different exemption figure applies. Also different basis rules may be applicable.

Therefore, your Trust may need to be amended to reflect such differences. Again, if your Trust was done again in 1997 through 2000, it behooves you to have it reviewed to pick up that concern. We can prepare a trust amendment to “patch” the trusts no matter what.

PAGE 1:

Estate and Gift Tax-Only a Temporary Fix-Stay Tuned!

PAGE 2:

Deeds and Refinancing – Put it back.

Trusts for the Next Generation – A Must.

Car and Trust Title – Do it.

Oil and Gas Rights – Don’t Let Them Slip Away.

PAGE 3:

Oil and Gas Rights – Don’t Let Them Slip Away.
Continued from Page 2

Cabins and Lake Properties – Pass Them On In a Meaningful Way

Law Firm News

News Alert! Gifting Opportunities Have Never Been Better

PAGE 4:

Our Offices and Schedules

OFFICE INFORMATION

www.mccrarylaw.com

Email:

mlocpr@qwestoffice.net

111 West 2nd Street #615

Casper, WY 82601

(307) 472-6900

Fax (307) 472-0223

1821 Logan Avenue
Cheyenne, WY 82001
(307) 635-6800

2627 Redwing Rd. # 325

Fort Collins, CO 80526

(970) 493-1600

FAX 970) 482-0534

This is an advertisement.

DEEDS AND REFINANCING – PUT IT BACK!

If you have refinanced your real estate, your real property which you refinanced may not have been put back in the name of the Trust. Such will result in the probate of that interest in real estate. Not all banks or mortgage lenders take care of this for you; it is important that you contact our office and make sure that such got taken care of after you realized the savings from the refinancing. Otherwise, your refinancing could end up costing your family more because of there needing to be a probate done after your death.



TRUSTS FOR THE NEXT GENERATION – A MUST

You are no doubt planning to transfer your estate to your children and perhaps your grandchildren or other important beneficiaries.

You have gone to all the trouble of getting your Trust affairs in order and keeping them in order, so that when you pass away, your property and interests can go to your children. The big question is: Do they have a Trust?

If your children have already gotten their estate planning set up, it will be much easier to transfer the titles to their Trust and thereby avoid them having to go through a multiple-step process to get the property into the name of their Trust after you have passed away. This will also provide for a quicker process, in that they will not have to have their estate probated to receive your property, if there is a death prior to the time of distribution of your Trust, but after your death. This can save their family a considerable amount of money.

Further, by doing their estate planning, they will also address the issues of Medical Powers of Attorney, Property Powers of Attorney, titles to real and personal property upon their deaths, and all the other issues which you have faced in your planning scenario. By becoming proactive, your

family members will be in better shape to deal with their issues than they would be if they simply waited until you got your affairs in order, then they died and they had to put their affairs in order, with the likely result of losing a tax exemption in the process.

CARS AND TRUST TITLE – DO IT

If you have automobiles and trucks, they should be titled in the name of your Trust. Many people struggle with this issue because they know that they will trade their cars more than once. However, if you pass away and your car title is not in the name of your Trust, a delay in the transfer of title (if owned solely by you) for 30 days after your death may occur, which can cause a considerable slow down in the process of getting a vehicle out of your name and otherwise dispose of the same, thus causing additional complications. Therefore, speed and efficiency is increased by your putting the car or truck into the name of the Trust so that your Trustee can make quick disposition of that vehicle should you pass away.

Of course, quick disposition of vehicles is not possible when you have financing involved as many companies carrying auto financing will not allow you to put the vehicle in the name of the Trust until vehicle is fully paid off.

And if vehicles are titled in an LLC or other business entity, leave them “as is”.

OIL AND GAS RIGHTS – DON’T LET THEM SLIP AWAY

If you have received oil and gas rights from your parents or grandparents, do not simply “sit on those rights” and allow their value to “slip away”.

Mineral rights often times increase in value when drilling is done nearby or they are pooled with the mineral rights of neighboring owners. In such a situation, the value can result in a substantial increase in your income over a period of years as development grows. If you fail to keep the title work current, there will be situations which arise that result in lost opportunities because no one can sign leases without clear title. Even though the minerals

have not resulted in substantial income to you over a period of years, ownership may have come to you through inheritance or otherwise, so it behooves you to keep them current so that you can pass them on through your Trust to the others in your family; then, when development occurs, the rights are already “straightened out” so that they can be leased and the royalty income realized by your family.



**CABINS AND LAKE PROPERTIES –
PASS THEM ON IN
A MEANINGFUL WAY.**

If you own a cabin or lakeshore property, it behooves you to set up the distribution upon death so that it passes to those who care and those who can afford to keep up the property as well as those who have an interest in utilizing the property.

It is unwise in those situations to give that property simply in percentages to the entire group of children regardless of any interest they have. It is better to put the property into a Limited Liability Company and issue shares which will pass to those who can afford the upkeep, taxes, maintenance, etc. to keep it in good shape.

You need to have a family meeting to really determine who is interested; then you need to visit with us about the structuring of a Limited Liability Company which can be the owner, set forth the manner in which operations should be structured, discuss matters of succession of interest, and provide for protection of the assets from creditors and predators.



LAW FIRM NEWS

Judy continues to have the blessing of miraculous health improvement, and continues in her marketing efforts of her second property which she purchased some months ago. The Grandchildren continue to grow, and our son, Jason, continues to take on a greater degree of cases in firm operations.

**NEWS ALERT!!!!
GIFTING OPPORTUNITIES
NEVER BEEN BETTER**

Is your ranch, farm, business, or your share of such, or do you have stocks, bonds, minerals, or other estate assets you would like to pass on worth no more than **\$5,000,000**? If so, between now and the end of 2012 you can successfully transfer such **tax free of estate and gift taxes!!!** You can also **avoid the additional generation skipping tax** on such a gift and pass all or a portion to your grandchildren!!! If you wait, you will be up against the same deadline we just avoided with the “temporary fix”. For those of you that have worried for years how can you give away a **\$5,000,000-\$7,000,000** ranch or other assets, \$2,000,000 which you have already soaked up at the death of the first several years back, you now have the **GOLDEN OPPORTUNITY**. Don’t let it get away from you. Consult with your tax planning professionals today!

Referrals Appreciated

OUR OFFICES AND SCHEDULES

In an effort to provide predictability and assist you and us with our scheduling, we have set up our office schedules so that we spend the first part of the week, Mondays and Tuesdays in Ft. Collins – Loveland – Wellington area, on Wednesdays we are in Cheyenne, and Thursday & Friday in Casper, including the rest of Wyoming on Thursdays and Fridays, and in some cases Saturdays. When you call please keep those weekdays in mind so we are able to schedule at a time when we are both able to make the appointment. We look forward to continuing to be of service to you and taking care of your needs. Thank you for your confidence in our offices and we look forward to helping you to keep your plans up to date, serve you and your families and friends, and be your guide in your estate planning needs. I will not be retiring! My mission is to help you; our son is joining us more and more.



McCrary Law Offices, LLC, *stands behind the Wyoming State Bar Association disclaimer statement that reads as follows:* The Wyoming Bar does not certify any lawyer as a specialist or expert. Anyone considering a lawyer should independently investigate the lawyer's credentials and ability, and not rely upon advertisements or self-proclaimed expertise.

McCrary Law Offices, LLC
111 West 2nd Street, Suite 615
Casper, WY 82601

**CHECK US OUT ON
THE WEB!**
www.mccrarylaw.com