

February, 2017



## Good Things Are Happening!

With 2016 behind us, we are looking forward to a number of exiting things in 2017! To kick off the year, I was most excited to have

Jennifer M. Allen and Raymond J. Casey join us as associate attorneys.



Jennifer, or Jen as she prefers to be called, brings a wealth of experience in estate and trust settlements. She also has a background in social work before attending law school and becoming an attorney. Jen will be working closely with Nicole Leffel in assisting with winding down affairs of clients who have passed away or become disabled. She will also be assisting with the design of new trust and simple will plans, as well as providing assistance to our existing client family.

Raymond, or Ray as he prefers to be called, also brings extensive experience in estate planning from his prior firm. Ray has a background in accounting and finance. He also is certified by the Veteran's Administration to assist clients who are eligible to receive VA benefits. Ray also has extensive experience in assisting clients qualify for Medicaid benefits they are eligible for. He will be assisting with the design of new trust and simple will plans as part of his responsibilities.

As our practice continues to grow, I am excited for the opportunity to work with such consummate and caring professionals!

This past year, our summer educational programs were well attended by our clients and we will be continuing with those programs again this summer. As a reminder, these educational programs were the Back to Basics workshop and the Wealth Reception workshop. There will be more information on each of these workshops at the upcoming Annual Client Meetings.

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As always, I am honored to have the privilege of assisting each of you with your estate planning and sincerely appreciate the trust and confidence you have placed in us. I look forward to seeing all of you at the upcoming Annual Client Meetings!

Our entire team is looking forward to the coming year and continuing our ongoing relationships with each of you!

Peace!

Scott

# Let Me Introduce Myself!

## From the Desk of Jennifer M. Allen, Esq.



Hello! It is my pleasure to introduce myself as one of the new attorneys joining this remarkable Client Family. My name is Jen Allen and I have been an attorney since 2013. Primarily, I have worked in the fields of Estate Planning and Family Law. Prior to law school, my career was focused in the world of foster care and adoption as a social worker. My career path has always been about helping and serving others as that is an extreme passion of mine.

My amazing husband, Josh, and I, have been married for almost twelve years and we have two beautiful children, Sophie (3) and Wyatt (7 months). I'm actively involved in my church and in my free time enjoy watching movies and reading. Also, our family loves Cleveland sports – yes all of them! I'm looking forward to meeting all of you and am honored to be a part of this great client family.

## From the Desk of Raymond J. Casey, Esq.



Hello everyone! My name is Ray Casey and I am one of the new associate attorneys at the firm. I joined the firm in January of 2017. I graduated from The University of Akron with my law degree and my MBA in May 2014. For the past two years I have practiced in the areas of Estate Planning and Elder Law in the Akron area.

Until recently, I have been a lifelong Akron resident, but I now live in Westlake. My fiancé Halie and I will be married in May of this year. When I'm not in the office I like to spend time with my large family, learn about American history, as well as cheer on the Akron Zips and Cleveland Indians.

I am very excited to be a part of the Scott A. Williams and Associates team. I look forward to meeting all of you soon!

## New Client Workshops

We continue to offer our New Client Orientation Workshops for prospective clients. These workshops are not only a pre-requisite first step in our planning process, but also provide a solid overview of both the planning and update process. We also explore more traditional estate planning topics such as probate avoidance and tax savings in addition to strategies to reduce professional fees. Prospective clients may register for a Client Orientation Workshop by registering online ([LifeDesigLaw.com](http://LifeDesigLaw.com)) or by calling the office at (216) 236-6480.

### New Client Workshop Dates:

***Tuesday, March 7,  
1:00 to 3:00 p.m.***

***Tuesday, April 4,  
9:30 to 11:30 a.m.***

***Tuesday, May 2,  
1:00 to 3:00 p.m.***

# Paying Debts when a Loved One Dies

By Jennifer M. Allen, Esq.

One of the last things on our minds when someone we love passes away is making sure to pay the phone, cable, and electric bills, but once the dust has settled, the task of paying bills and debts must be addressed. Important questions to ask are exactly what bills and debts have to be paid and who is ultimately responsible for paying them?



Over simplified, debts can be classified into secured debt and unsecured debt. Secured debt is generally your mortgage and car loans and lack of payment of these loans will potentially result in losing the house and car. For example, if you inherit a house with a mortgage, you are not only inheriting the house, but you are also inheriting the mortgage because the loan follows the real estate and lenders are still expecting the mortgage to be paid.



Unsecured debt is generally your student loans, most credit cards, and any other bills that may be due, like utilities. For federally subsidized student loans – those debts are not collectible after death. For other unsecured debt, those debts are collectible after death by either a co-signer on the loan/credit card, possibly by the spouse for “necessaries” that were given, or by the Probate Estate of the deceased.

If the debt is only in the name of the deceased, the only responsible party to pay off unsecured debt is the Estate of the person that has passed. If there is only a Will which requires Probate Court involvement, the Executor of the Will would be responsible for paying the known bills if there is enough money in the Estate. Only Probate property is used to pay unsecured creditor claims. Non-Probate property – for example – property held in Trust and beneficiary designated accounts, such as life insurance - are not subject to creditor claims. (This does not include Medicaid Recovery because both probate and non-probate property may be subject to be collected through the Attorney General).

Under the Fair Debt and Collection Practices Act, it is illegal for collection agencies to claim that anyone other than the Estate is personally responsible for paying debts. When dealing with debt collectors keep good records and require proof and investigate to make sure it is a valid claim.

In Ohio, creditors have six months from the date of death to make a claim against a person's probate estate or they forever lose their ability to come after the money owed. Additionally, in Ohio, there is a specific statute that determines which creditors are paid first when there is not enough money in the estate to pay off every debt.



Additionally, if your living trust is fully funded and there are no assets to probate, a creditor's sole remedy is to attempt to open an estate for the deceased debtor and hope there may be some asset that goes through probate. Thus, a fully funded living trust will significantly reduce the likelihood that a creditor could attempt to pursue a deceased person's debts.



# Ohio Legacy Trust

**By Raymond J. Casey**

Are you concerned with the protection of your assets from potential creditors? For many business owners and other professionals, the concern of being personally liable for malpractice or catastrophic events is troubling.

Previously, if an individual wanted to protect assets from these types of creditors, the type of trust they would have to use prevented them from having any access to those funds. Such trusts prohibited the Trustmaker from being a beneficiary in any way. A new type of asset protection trust is now available to Ohioans looking for creditor protection.



The Ohio “Legacy Trust” offers individuals both the asset protection they seek, and the ability to be a beneficiary of the Trust. For example, an individual’s home could be owned by their Legacy Trust, and they can continue to reside in that home, but the home is protected from being attacked by future creditors.

Anyone can create an Ohio Legacy Trust, but there are a number of legal requirements that must be included in the trust and in the process of creating it for it to receive the desired protection.

If the Legacy Trust was validly formed, then eighteen months after the formation of the Trust and its funding, provided no creditor claims have arisen in that timeframe, trust assets are protected from creditors.

If you or a loved one has questions about Ohio Legacy Trusts please contact us to discuss!

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## 2017 Tax Law Update

**By Scott A. Williams, Esq.**

With the New Year came an increase in the amount a person can leave on death without incurring federal estate tax. The estate tax exclusion (what we call the “coupon amount”) was increased from \$5,450,000 to \$5,490,000. For every dollar in excess of \$5,490,000, federal estate tax will be imposed at a flat 40% rate.



Additionally, for those clients with estates in excess of the “coupon amount”, the IRS now requires a comprehensive reporting of the adjusted cost basis on all assets subject to capital gains tax in a deceased person’s estate. The law firm will assist in preparing this additional return for those clients this new requirement impacts.

The federal annual gift tax exclusion did not change from last year. Thus, a person can gift \$14,000 per year (per beneficiary), or \$28,000 if the donor is married without incurring any gift tax liability.

I have heard from a number of clients inquiring about various proposed changes to the United States Tax Code various politicians are advancing. These proposals range from an outright repeal of the federal estate tax, a repeal of the step-up in basis on death, and a repeal of the ability to stretch-out distributions from an inherited IRA. It is difficult to predict which (if any) of these proposals will ever be voted into law and if so, how long they will be in effect. We will continue to monitor legislative developments and will provide an update at the upcoming Annual Client Meetings this spring!

# Do I Have To Shovel That Sidewalk?

By Jennifer M. Allen, Esq.

Only in Northeast Ohio can we experience all four weather seasons in a week! This winter has been no exception. When the snow does fall, what is your legal responsibility as a homeowner for shoveling the sidewalks in front of your house? Can you be found liable if someone slips and falls on your sidewalk because of ice and snow?



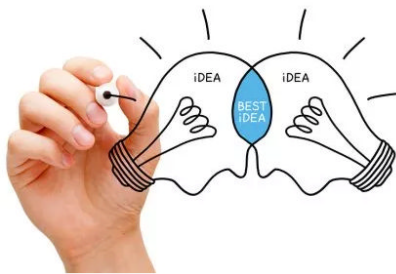
It has long been an Ohio law (Ohio Supreme Court Case *Brickman v. Ross* 1993), that homeowners are not obligated to remove the natural accumulation of ice and snow from their sidewalk because pedestrians in Ohio are always on notice (due to the nature of Ohio winters) of the risk of slipping or falling.

On the other hand, each local city has rules stating what a homeowner's responsibility is in regards to maintaining a clear sidewalk. Based on your city, you could receive a warning, fine, or even be charged with a misdemeanor if the sidewalk is not kept clear. Most cities do not have the time or resources to enforce these rules, but is it a good idea to know your neighborhood's requirement. To look up your city's rules, you can go to [www.conwaygreen.com/municipalCodes.htm](http://www.conwaygreen.com/municipalCodes.htm), click on your city and search for "sidewalks to be cleaned of ice and snow."

If you live in an area where kids are walking to school and/or you know your sidewalks are heavily used, be encouraged to take the extra step while shoveling your driveway to care for your sidewalks. Forcing people to walk in the road can create even more dangerous situations. And it's just a nice neighborly thing to do.

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## Client Advisory Board - Save the Dates



As most of you know, our Client Advisory Board is a group of clients who volunteer their time to meet with Scott, Jen, and Ray twice a year to discuss ways we can improve our client services, new services we should consider implementing, as well as advice and counsel regarding the direction of our firm.

We have finalized this year's meeting dates. Please save the following dates: Monday, April 24, from 1-4; and Monday, October 9, from 1-4.

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## 2017 What To Do Workshop™ Schedule

Our What To Do Workshop™ provides clients and the people they have named to assist with winding down their affairs, a practical overview of what things to do, as well as what not to do, when a loved one is mentally disabled or upon their demise.

If you have never attended or if it's been five years or more since you attended, we recommend attending a What To Do Workshop™. Our What To Do Workshops™ are scheduled for Wednesday, March 5, 2017 from 6:00 to 8:30 p.m. and again on November 22, 2017, from 10:00 a.m. to 12:30 p.m. You may register for this workshop by calling the law firm or online at [www.lifedesignlaw.com/events](http://www.lifedesignlaw.com/events). As a reminder the password to this page is: success.

# First Merit Becomes Huntington on February 21<sup>st</sup>!

By Maggie Dellinger

If you bank at First Merit, you will have received notification that First Merit Bank has been acquired by Huntington Bank. All existing First Merit accounts will reopen at Huntington using the same name as is on your current account. If you currently bank at First Merit, please note your new Huntington Account number on your **Asset Review Report** and include a new Huntington Statement when you return your report to our office. We'll update our records so when you attend an Annual Client Meeting this year, your **Asset Detail Report** will correctly reflect your new bank account numbers.

## Welcome.



Huntington informs us you may continue to use your current checks until they run out. When you order new checks, they'll reflect current account information. Direct deposits and auto pays will continue with no interruption. Huntington will notify providers such as Social Security and your payroll, of automated deposits to your account.

They will also notify recipients of your automated payments of your new account numbers and routing numbers.

If you have any issues confirming your account remains in your trust's name, we are here to assist you. Don't hesitate to call us.

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## Hot Chicken Casserole with Toasted Almonds

4 skinless boneless chicken breast par-boiled in 4 cups chicken broth and 4 cups water.

Dice chicken up into bit size pieces.

Then prepare the following:

- 1 ½ cups diced celery
- 2 cups cooked white rice
- 1 can sliced mushrooms
- 1 can sliced water chestnuts
- 1 tsp. chopped onion
- ¾ cup mayonnaise
- 2 cans cream of chicken soup
- 1 tsp. lemon juice



Mix together mayo, lemon juice and soup. Add all other ingredients and blend together.

Spoon into casserole dish and top with ¼ stick of melted butter mixed with 1 cup crushed cornflakes and ½ cup sliced almonds.

Bake at 350 degrees for 1 hour.