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Inside

- 1 Meet Douan Phomsavanh!
- 2 Forging Imaginary Friendships
Saving a Family From a Major Reassessment
- 3 3 Key Items to Accessing a Trust Account
Green Velvet Cheesecake Bars
- 4 Stay Stateside With These Little-Known St. Patrick's Day Celebrations

STAYING STATESIDE FOR ST. PADDY'S?

Celebrate With These Little-Known Festivities

There's no place quite like Ireland on St. Patrick's Day. What was once a purely religious holiday to honor the legend of St. Patrick chasing all the snakes out of the country has turned into a global celebration. But if a trip to Ireland isn't in the budget, check out these three little-known stateside destinations that are just as festive.

Short and Sweet in Arkansas

Thanks to the clever thinking of some Irish friends meeting for a pint at a bar on one of the shortest streets in the world, Bridge Street in Hot Springs, Arkansas, the First Ever 17th Annual World's Shortest St. Patrick's Day Parade will travel 98 feet once again this year. Don't assume the turnout isn't robust just because the distance is staggeringly low. The parade lasts for hours, drawing thousands of people to watch celebrities, musicians, bands, floats, and Miss Arkansas glide by. The event also features a Blarney stone kissing contest and a parade king and queen.

A Little Luck in America's Heartland

O'Neill, Nebraska, is home to the world's largest shamrock and more unique St. Patrick's Day traditions. This Irish community doubles down on

its heritage every March with a traditional parade, music, and Irish dancing. But the town also hosts a popular dodgeball tournament and donkey basketball. What could be better than pummeling your opponents in dodgeball and outpacing the competition while riding a donkey in the school gymnasium? Perhaps enjoying a pint or two with your teammates afterward. And O'Neill is just the spot to do it.

Ohio's Little Piece of Ireland

You may not be able to fly to Ireland, but you can visit a little piece of it right in the U.S. Head to Dublin, Ohio, this St. Patrick's Day for a traditional celebration sure to put a wee bit o' pep in your step. Partake in a traditional Irish breakfast or enjoy a parade complete with bagpipers and Irish dancers. Boasting one of the largest celebrations in the U.S., Dublin is an affordable alternative for those looking to celebrate the Irish way.



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An Unexpected Career Move

Douan Phomsavanh on Entering the World of Estate Planning

Having been at Preston Estate Planning for over a year now, I can say with certainty that it's been a great experience. Working in the estate planning field wasn't something that had ever occurred to me before finding this firm, but now it's hard to imagine being anywhere else. Fittingly enough, it was my decision to care for my family that led me to this job where I get to help clients do the same for their loved ones.

Before joining the firm, I worked in the financial industry for many years, doing everything from marketing to operations. But when my position got outsourced in late 2014, I took the opportunity to raise my kids, who were almost 2 and 3 years old at the time. At those ages, it was a perfect time to be there to raise them, and I wouldn't trade that opportunity for the world. As soon as they reached school age, I knew it was time to reenter the workforce. That's when an ad from a certain law firm caught my attention, so I submitted my resume to Preston Estate Planning for a chance at an entry-level position.

As it turned out, my past finance experience made me overqualified for the position described in the ad. Instead, I was brought on for a different role within the firm, and soon after, I transitioned over to work with Don Zoellner in our estate settlement department. My previous knowledge of preparing documents and reviewing asset information in the financial world became valuable in this new line of work, but I still faced a steep learning curve.

Thankfully, I was up to the challenge. In fact, learning a new industry and new skills are what I had set out to do when I returned to the job market — I didn't want to go back to the same old monotony I'd left behind. But the lessons I've been able to learn here at Preston Estate Planning have gone deeper than I expected.

Specifically, as a parent, I was confronted with how important it is to have an estate plan. Previously, I'd always assumed that one had to be both a lot older and own a lot of assets to even think about putting a plan together. But my work has made me realize the importance of

having a plan in place regardless of your family's circumstances. Prior to this, some elements of an estate plan such as a Trust, a will, asset protection, and assigning beneficiaries to bank accounts or long-term assets like life insurance and retirement plans seemed too far removed from my everyday life to even consider as a priority. Now I see their tangible benefits make a difference for families just like mine on a regular basis.

Being able to help those families directly is by far the most impactful part of this job. The essential function of my role in the department is to guide the clients through the estate settlement process during a very emotional time in their lives. While this will always be hard, it gives me comfort knowing that I can help ease their stress in an otherwise difficult situation.

Last but certainly not least, I'm grateful this firm gives me the flexibility to be there for my own family. My son is now 8 and my daughter is 7, and they're both already student athletes. So, of course, my husband and I now spend much of our time being our kids' personal Uber drivers. Thanks to the family-first nature of Preston Estate Planning, my children have never had to miss a practice, and I've never missed an opportunity to cheer them on from the sidelines.

—Douan Phomsavanh



The Power of Pretend

Imaginary Friends Promote Real Life Skills

Studies show that up to 50% of young children have imaginary companions, ranging from entirely conjured entities to beloved stuffed animals. The popular social stigma around imaginary friends is that these children must be shy or lonely, but psychologists disagree. In fact, if your child develops an imaginary friend, most psychologists say it's an activity you should promote instead of discourage.

Psychologists claim that the invention of an entire friendly persona points to the fact that the child is both creative and highly social. Imaginary scenarios also give kids an opportunity to indulge in their wildest aspirations, like going to the moon or inventing a time machine. Their creativity gives them the ability to dream, explore, and experiment in useful ways. Imaginary friends can also be there to comfort your child when they're feeling down or experiencing a tantrum, which is helpful when they are learning how to manage their emotions.

There are also many ways parents can take part in interactions with imaginary friends to strengthen their own relationship with their child. Imaginary friends can make interactive play more meaningful and can be useful in accomplishing daily routines, like cleaning up or getting ready for bed. They also provide a window into the way your child's mind works by encouraging the vocalization of thoughts and feelings they may not otherwise share. Imaginary friends are often a proxy for the children who invent them, so the conversations your child has with or

about their friend can provide a lot of insight into how your child views the world and themselves.

Imaginary friends are so important to how some children learn and grow that they've been featured in pop culture for many years. Entertainment like "Calvin and Hobbes," "Foster's Home for Imaginary Friends," and even adult shows like "Supernatural" — which featured an episode about a main character's childhood imaginary friend returning to teach him valuable lessons as an adult — portray the inventors of imaginary friends as outgoing and creative. It just goes to show that letting the imagination run wild not only encourages healthy development but can also lead to lots of fun.



Are Your Beneficiaries Safe From Property Tax Reassessment? It Depends on Your Trust

Many of you probably remember the days when your property taxes fluctuated each year with increased market values. That all changed in 1978 with the passage of Proposition 13, which limited property tax reassessments. Today, many people have lived in their home long enough that those Prop 13 tax benefits are quite substantial.

In fact, many of our clients have homes whose property taxes are calculated on less than 10% of the fair market value. One of those clients recently passed away and left a home worth \$850,000, but thanks to Prop 13, her annual property tax assessment was a measly \$75,000. That meant her annual property taxes were less than \$1,000!

This client had two daughters who were each going to receive 50% of the estate. Because of Proposition 58 (the parent to child transfer), the daughters could inherit the Prop 13 tax assessment of \$75,000.

When we met with the daughters after their mother's death, we discovered that only one daughter was interested in keeping the house. Because all our Life Plan Trusts include language to provide for this type of distribution, this normally wouldn't be a problem. One daughter could inherit the house, and the other daughter could inherit cash and securities of equal value.

Unfortunately, the client didn't have enough liquid assets to equal the value of the house. This created a dilemma, as the county assessor would assume the daughter bought out her sister's share of the property — exposing one half of the home to reassessment. But how do you craft a plan that leaves this \$850,000 home to only one daughter without affecting the property tax rate? You get creative.

The issue with any real estate, when it comes to dividing an inheritance, is that it's not a liquid asset. However, it is possible to make it liquid by taking out a loan on the property and converting part of its value to cash. Doing this without tax reassessment requires the loan to be made directly to the Trust itself — meaning that the trustee has to be the one to obtain the loan (not the beneficiary). Making a loan to a Trust after the trustor has died is not a conventional loan, and many banks do not offer them. However, there are some lenders who specialize in these types of loans.

We were able to connect the trustee with a lender who completed the loan, and we're happy to report today that the trustee was able to divide the estate equally. One daughter became the sole owner of the home, and the other daughter received cash of equal value. No tax reassessment required.

Lessons in Trust Administration

VOL. 1: ACCESSING A TRUST ACCOUNT



"Trust administration" covers everything that needs to be done after the trustor passes away to make sure their wishes are carried out. It's a broad subject that's important to understand, especially for trustees. We'll cover more on Trust administration in future newsletters, but let's begin with one of the first issues all trustees face: accessing the Trust bank account.

Gaining access to the bank account can be vitally important in the days and weeks after the trustor passes away. Funeral expenses and medical bills can create an enormous need to access Trust funds quickly. However, the bank will want to ensure that the trustee has the authority to access the bank account. Generally, there are three things that the trustee will need to provide to the bank to help things go smoothly.

1. A Copy of the Trust Many trustees make the mistake of thinking that the bank already has a copy of a Trust, and therefore they don't need to bring one themselves. This simply isn't the case. Often banks won't keep their copy of the Trust on hand, and even if they did, the bank has no way to confirm its copy is the most up-to-date version of the Trust. Also, keep in mind that some banks will ask for a complete copy of the Trust, not just the Trust certification. Therefore, the trustee should have the entire Trust document available just in case.

2. The Death Certificate When a loved one passes away, the fact of their death is never far from mind, and it can be a little jarring when a bank asks the trustee for proof of death. Sadly, there will always be scammers out there trying to gain access to bank accounts. So no matter how much a bank representative may believe the trustee, they'll need to see a certified copy of the trustor's death certificate.

3. A New Tax ID Number When a Trust is created, its corresponding tax ID number (TIN) is almost always the trustor's Social Security Number (SSN). However, after the trustor's death, the SSN cannot be used as the Trust's TIN, meaning the trustee must get a new TIN for the Trust. The IRS website generates the new TIN, but unfortunately, some of the online questions can be quite confusing. In fact, trustees often make innocent mistakes when they obtain the new TIN on their own. Generally, the only way to correct the mistakes is to cancel the new TIN (by mail) and start the process all over again. For this reason, we recommend that after a trustor dies, the trustee should consult with our office before obtaining a new TIN for the Trust.

And of course, if you ever have any questions, we're just a phone call away.

Sudoku

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Solution on Pg. 4

Green Velvet Cheesecake Bars

Inspired by AboutAMom.com

This St. Paddy's Day, try taking a festive spin on a classic staple. If you have red velvet lovers in your family, they're sure to love this equally decadent treat.



Ingredients

- 1 cup graham cracker crumbs
- 1 cup chocolate graham cracker crumbs
- 1 stick butter, melted
- 1 oz green food coloring (gel works best)
- 3 8-oz packages cream cheese, softened
- 2/3 cup sugar
- 3 eggs
- 1/2 tsp vanilla extract
- Green sprinkles, optional

Directions

1. Heat oven to 350 F, and line a 9x9-inch baking pan with parchment paper.
2. In a large bowl, combine crumbs, butter, and food coloring. Press into the baking pan.
3. In a separate bowl, beat cream cheese and sugar together.
4. Add eggs one at a time and stir in vanilla.
5. Pour mixture over the packed crumbs.
6. Bake for 40 minutes or until the center is set.
7. Let cool completely before adding sprinkles and slicing.