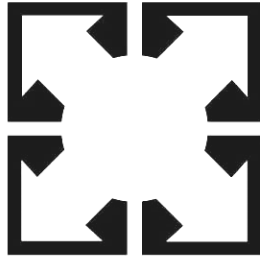


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Central
Arizona
Estate
Planning
Council

2014-2015 Season	Officers
Steve Taddie	President
David Walser	Vice President
Darlene Hagan	Treasurer
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Emily Burns	Past President

2014/2015 November Issue

Newsletter Date: October 31, 2014

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Upcoming Events

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Save The Dates

Annual Holiday Social
December 1, 2014
5:00pm - 7:30pm
Registration Open!

February Half Day Pro-
gram and Ice Cream So-
cial
February 2, 2015
11:15am-4:30pm

Annual Golf Tourney
and Spring Banquet
April 20, 2015
12:45 Shot Gun Start

Emerging Professionals'

The Emerging Professionals' Group (EPG) of CAEPc welcomes three new members to the council through the EPG member scholarship program: Amara Chorney, ASU; Natalie J. Boucher, Arizona Summit Law School; Kevin W. Wright, ASU; Sandra Day O'Connor College of Law.

Congratulations and welcome to the council!

Join the EPG for their next event:

November 12, 2014
5:30pm
Stand Up Scottsdale
Last Comic Standing comed-
ian Rich Vos

[Register To Attend Now!](#)

*Forward this e-
newsletter to a
professional who
should consider
Joining the Council!*

2014/15 CAEPc Sponsor- ships

We have another great year planned and invite you to consider sponsorship opportunities for your organization. We bring top national talent to our well managed and consistently attended educational programs monthly from October through May. Your targeted exposure to our serious estate planning professionals, combined with the credibility that comes from aligning with this organization, provides exceptional visibility to this professional audience.

ACT NOW

The [sponsor commitment form](#) is your key to sponsorship. The completed two page form should be returned by fax (480-922-5283) or e-mail: info@caepc.org.

Your completed and returned commitment form will be date/time stamped. All sponsorships are available on a first response basis.

Thank you for your consideration of support for our Council. We know you will want to be a part of this season! Stephen E, Koons, CPA, ABV, CFF, ASA
2014/15 CAEPc Sponsorship Chair

Reminders and Resources

Leimberg

Leimberg is a valuable and wonderful resource for keeping up to date on recent changes related to estate planning. This service is provided to our members at no additional cost. Visit Leimberg.com to view the value of this great resource to members.

Accredited Estate Planner® Designation:

Professional estate planners can now achieve an accreditation that acknowledges their experience and specialization in estate planning. The Accredited Estate Planner® designation is available to Attorneys, Chartered Life Underwriters, Certified Public Accountants, Certified Trust and Financial Advisors, Chartered Financial Consultants, and Certified Financial Planners®.

The AEP® designation is awarded by the National Association of Estate Planners & Councils to recognized estate planning professionals who meet special requirements of education, experience, knowledge, professional reputation, and character. [Read more.....](#)

Committee News, Reports and Call for Volunteers

The Accredited Estate Planner (AEP) Designation Council Nominated Program Committee is looking for four volunteers to support the evaluation process for nominating AEP candidates to the National Estate Planning Committee (NAEPC). We need a volunteer from each of the following professions: Accountant, Attorney, Financial or Insurance Professional and Trust Officer. Each volunteer should have 15 years of experience or hold the AEP designation. Each year NAEPC allows one AEP candidate nomination per each of the four disciplines from each Council throughout the Country. For this reason we are requesting a volunteer from each discipline. The goal of the AEP Council Nominated Program Committee is to nominate qualified AEP candidates and annually increase AEP population of the CAEPC for each discipline. This year will be the first year for this formal committee. As a result, procedures and processes will be finalized by the new committee members.

Estate Planning Technical Updates and Articles:

Mark Bosco and Amber Curto

“Protecting Your Client’s Estate From Beneficiary Bankruptcy”

New Rules from *Clark v Rameker*: The Supreme Court recently considered whether an inherited IRA is a protected retirement fund or is subject to creditor’s claims asserted in an IRA beneficiary’s bankruptcy. The bankruptcy exemption provided by 11 U.S.C. §522(b)(3) (C) allows debtors to protect certain funds to help meet their basic retirement needs.

The Supreme Court identified three characteristics of an inherited IRA that establish an inherited IRA is *not* objectively set aside for retirement: (i) additional money can never be contributed by the beneficiary; (ii) withdrawals can be taken regardless of the beneficiary’s age; and (iii) the entire balance can be withdrawn for any purpose without penalty to the beneficiary.

[Read more....](#)

Gary Ringle

“Gift Tax Audits Expected To Increase In The Future?”

Taxpayers Filed 258,393 Gift Tax Returns in 2012

The IRS 2012 Data Fact Book reports that 258,393 gift tax returns (Forms 709) were filed that year compared to 219,544 in 2011. The most striking difference between the two years is the aggregate amount of the gifts which totaled about \$135 billion in 2012 reflecting an increase of \$84 billion, or 165%, over the 2011 total of \$51 billion. It should be noted that many 2012 gift tax returns were filed in 2013 because the IRS allowed the taxpayer to submit Form 709 by October 15, 2013.

Will the IRS Audit Gift Tax Returns Filed in 2012 and 2013?

Although only 3,164, or 14.2% of the 2012 gift tax returns were audited, many professionals expect the IRS to step up its audit efforts during the next few years based on the Service’s goal to increase its income. Furthermore, the Service has more resources available to devote to the voluminous gift tax returns filed in 2012 as a result of a dramatic decrease in estate tax filings attributable to the high estate tax, gift tax and generation-skipping transfer tax exemption amount which is in excess of \$5 million for each spouse.

[Read more.....](#)

Charlie Dougl, JD, CFP®, AEP®, Editor

“Supreme Court Clarifies: Inherited IRAs are not “Retirement Funds”

On June 12, 2014, the United States Supreme Court decided *Clark v. Rameker*, No. 13-299, holding that funds in an individual retirement account (IRA) that a bankruptcy debtor obtained through inheritance are not "retirement funds" that the debtor may exempt from their bankruptcy estate. At long last, the advising community has definitive direction in counseling holders of retirement assets regarding their “protection” from creditor claims in a bankruptcy estate.

[Read more.....](#)

Estate Planning Technical Updates and Articles Continued:

Michael E. Loftus
Loftus Financial, LLC

"Is your client's life insurance policy headed for disaster?"

If you ask your clients whether or not they have life insurance, they would probably reply yes. If you ask them, do they understand the mechanics of how their policy works, they would most likely state they have no idea.

What most people are unaware of is how long-term low interest rates have significantly reduced the values and performance of insurance policies. Policies where the client thought they had a "paid-up" policy found under audit their cash values were unable to support the policy. The options are, pay additional premiums, roll the contract to an annuity to salvage something, or rescue the contracts with guaranteed products.

Carriers are often earning less than their guaranteed rates therefore increase costs i.e. mortality to offset the low earnings. The results reduce the cash value. Variable products have seen huge downturns in the market. A 35% loss requires a 54% gain to recover. The lower cash value means more insurance risk which translates to more mortality expense and more gains necessary to recover. What looked good 5 or 6 years ago may now have only a few years left.

[Read more.....](#)

Gregory E. Sellers, CPA, AEP®
Warren Averett, LLC
Montgomery, Alabama

Do you remember how the old movies had the seasoned editor and cub reporter (kind of like Perry White and Jimmy Olsen in Superman)? Do you remember in those movies and shows how the cub reporters, learning the ropes, were taught to ask the questions "Who, What, Where, When, and How"?

Then along came "Law & Order". *Insert sound effect here "Dun, Dun"*. This program introduced a new facet to our tenacious desire to **know more**. Law & Order elevated which component of knowledge to the forefront? **MOTIVE**. No one can be convicted unless Jack McCoy can convince the jury there was motive for the crime. So now, we must know "Who, What, Where, When, How and..Why"

[Read more.....](#)

Steve Leimberg's Estate Planning Newsletter
Bruce Steiner: Valuable Lessons Learned from Lauren Bacall's Will

Bruce Steiner previously commented on the lessons planners can learn from James Gandolfini and Philip Seymour Hoffman's Wills and Robin Williams' insurance trusts. See Estate Planning Newsletters [#2114](#), [#2206](#), [#2240](#). Now, Bruce returns to comment on the lessons estate planners can learn from Lauren Bacall's Will. [Read more.....](#)

Steve Leimberg's Estate Planning Newsletter
Bruce Steiner & Lessons from Robin Williams' Insurance Trusts

Bruce Steiner previously commented on the lessons planners can learn from James Gandolfini and Philip Seymour Hoffman's wills. See [Estate Planning Newsletter #2114](#) and [Estate Planning Newsletter #2206](#). Now Bruce returns with commentary about the lessons planners can learn from Robin Williams' insurance trusts. [Read more.....](#)



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Connecting Estate Planners Across the Valley!

The Central Arizona Estate Planning Council was established in the 1960s as a professional organization for diverse practitioners involved in the estate planning process.

With emphasis on the estate planning team, our focus is to gain a broader perspective of pertinent issues and ideas, in order to construct and protect our clients' financial estates and to achieve a smooth transition of wealth from one generation to another.

Estate planning is one of today's fastest-evolving professional disciplines, as ever-changing tax laws and volatile market values have created opportunities for practitioners and clients alike.

The Council regularly presents top national speakers at power-packed dinner meetings offering both continuing education and networking opportunities. Council members further benefit from an afternoon seminar with a national strategist, an ice cream social, a spouses' night and a golf outing - - all designed to promote professionalism and reciprocal associations among the Council professionals.

2014/2015 CAEPC Committees

Membership: Bill Purdue

Sponsorship: Stephen Koons

Emerging Planners' Group: Remy Carpenter

Holiday Event: Remy Carpenter
EPG Group

AEP: Harry Calivas

Newsletter: Harry Calivas

Public Outreach: David Walser
Chuck Whetstine

Nominating: Emily Burns

Meeting Ambassadors: Kyle Decker



Interested in getting involved?

Email info@caepc.org with your interest and a member of the board and/ or committee will contact you.

2014/20156 CAEPC Sponsors-Thank You For Your Support!



HENRY & HORNE, LLP
Certified Public Accountants

Charles W. Whetstine



Northern Trust



braunsilerkruzelpc
attorneys at law



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