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“At our Firm,
Your Estate Plan
is Not Business,
it’s Personal..”



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*Permanence, perseverance
and persistence in spite
of all obstacles,
discouragements, and
impossibilities: It is this that
in all things distinguishes the
strong soul from the weak.
- Thomas Carlyle*

HAVE YOU BEEN AMAZONED?

A lifetime ago, I had decided to go into estate planning. Using my legal skills to positively contribute to my clients, getting to know their family members, becoming an integral part of their important decision making; now that sounded like a career! The technical skills learned along the way were challenging at times, but it was fulfilling as well.

Back then, the big estate planning fear was that the estate tax exemption would keep getting larger and larger, leading my peers to believe that estate planning would become an after-thought to the majority of people. Heck, some people completely got out of the field to go into another field of law, something that promised to be more ‘lucrative.’

Was I scared? You better believe it! I did not have the knowledge nor the experience that I have now, however, I did have a genuine love for the field. That love would only get strengthened as I represented families and parents, and then their children when it was time to administer the trust. Right there and then, I decided I would stick with it. Over a decade later, we’re still going strong... In great part because of you, so thank you for that!

This leads me to what is currently happening in the market, and in retail stores specifically – Amazon is putting out of business many shopping centers. For many, the struggle is real, there is no doubt. However, if this should be happening to you, I would encourage you not to give up. Heck, have you ever heard of “Legal Zoom?” That is supposedly the Amazon of our industry. Guess what? We welcome it!

At the end of the day, a Trust is nothing more than a set of documents. However, the reality is the Trust is just a by-product of everything that comes around it – tax planning, asset protection clauses, family dynamics, personal wishes properly represented in the documents, and the list goes on. Legal Zoom was a welcome challenge in my world, it just made my drafting skills that much better, and the customer care second to none.

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SPECIAL ANNOUNCEMENT

How is Fall treating you? We are heading towards the last stretch of 2018. Take time to reflect, make new goals, but most of all; stay the course! There are still so many goals to reach, so many milestones to achieve, it feels good to be alive!

Let’s study history a bit this month. Looking at the ancestry of humankind. Few races in history have had such a consistent impact in human history – the Jewish population. To be politically correct, some call it a religion, others, a race, or some would simply say it is a way of life. Be that as it may, it is undeniable that Jews have had a tremendous impact in the world. In this book of the month however, renowned author Rich Cohen focuses on a segment of the Jewish population that is unknown to most. It draws upon a certain period as well, from 1918 to 1945. This is about the ‘darker’ side of Jewish history. The title itself *Tough Jews* make our featured book of the month an interesting read. If you’ve been reading about history of the Jews or perhaps about their lifestyle, culture and character, then you will likely have a deep appreciation for the story told in this Rich Cohen book.

Also in this issue, we are featuring the article, “Baby Boomers Beat Generations on Consumer Spending, Remain a Major Force in US Consumer Spending.” Let’s find out what makes this generation the biggest spending group in the US.

And to all the mothers-in-law out there, we’d like to send our warmest National Mother-in-Law Day greetings from all of us at the Asset Protection Center. If you’re interested in knowing more about Elder Law in California, call 714-966-2646 today and get some free information!

SIMPLE APPROACH TO WEALTH TRANSFER ONTO THE NEXT GENERATION

We have spoken at length about the importance of estate planning and the exposure you may leave your loved ones to unwanted consequences such as – family disputes, tax exposure, legal proceedings, and the list goes on. As undesirable as it may be, the importance of speaking to an attorney is imperative. Sometimes... inevitable.

One of the main reasons speaking to a lawyer may appear off-putting is because of the fancy verbiage that is often displayed. This could further be aggravated by the fact that the solutions offered are (at times) incomprehensible. Let us break this barrier by looking into simple, yet foundational techniques in the world of wealth transfer.

529 Plans – The cost of education has risen astronomically. Coming out with an undergraduate degree can easily cost our children in the \$100,000's. That amount was reserved for very few schools no further than 10 years ago. That is no longer the case. A 529 Plan is an ideal way for you, as a parent, to put funds aside to assist your children. This approach would be tax beneficial to your children, and California allows a maximum limit of \$475,000. Let us hope inflation slows down just a bit!

Annual Gifting – An individual may simply elect to distribute his / her annual gift tax exemption of \$15,000 / year. Double that for a married couple. The best part, the intended beneficiary need not be your actual children. That is a lot of distribution that can take place if you have many friends! 😊

Irrevocable Life Insurance Trust – Let me be the first to admit, I used to despise life insurance. I was of the school of thought that many individuals would be taken advantage of through this financial instrument. Truth be told, as my knowledge base grew, the importance of it now seems extremely reasonable compare to the benefits it can provide your loved ones. However, not all insurances are created equal. You must read and learn about the many options you have available based on income, age, and health.

Having said that, an ILIT is where you obtain a life insurance policy outside of your estate. It provides a potential large income stream for your loved ones, all the while providing them asset protection at a fraction of the cost. Because such a death benefit is done outside one's estate, the savings from income and capital gains tax is astounding.

So there you have it, three fundamental estate planning techniques that can greatly alter your financial universe. They are not complex, and provide a ton of benefits. As you may very well know by now, the Asset Protection Center makes it as easy as possible for you to learn about this subject matter on your own. We advocate self-education so you can come to the realization on your own of the importance of estate planning.

At our Firm, we take pride in knowing that our clients are not simply armed with a revocable living trust, but rather a breadth of knowledge that enables them to navigate through the financial planning waters with more tools.

The fact that our clients happen to now have an attorney by their side for the rest of their life is an added bonus! 😊

Rich Cohen: *Tough Jews*

Tough Jews by Rich Cohen shatters the stereotypes of the Jewish community in L.A. This book has colorful, gruesome, and vibrant characters that you would not be able to place as heroes or villains. As is often the case in real life, we as humans are full of complexities, and Cohen reflects those dimensions quite well. The book starts by describing a typical urban setting, with busy streets and buildings towering over the city. Within a small part of this up and coming L.A. city is a group of Jewish gangsters who have their own pieces of culture and desires to fit into society.

This book traces a generation of Brooklyn natives. It brings us history, fun, wit, dreadful street fights, dirty money, and guns. It may surprise the reader to look at this novel as a typical gangster story, especially as the norm do not think of Jews in that light. The secret meeting place, this time is an old diner where Jews meet to discuss their plans. But do not underestimate the toughness of the characters and how they thrive to live in the world where people deny their roots when labeled.

Tough Jews will destroy the traditional image of Jews painted for you – passive, nonviolent, and scholarly individuals. This book is about a new breeds of Jews, the new generation, who are sharp-witted and done being afraid. Cohen created powerful characters, vivid settings, and remarkable lines so that you wouldn't care if it was based on fiction or real life. It is like watching a historical reenactment of gangster activities and crimes in a city where the people would know to skid into narrow building spaces where there is a secret door that leads to an underground meeting place.

Tough Jews will remind us to be tougher than before. Being able to stand on our principles and the things we believe in life are not easy, especially in a society that dictates what you are and who you have to be. It does not mean you have to be violent to stand by your beliefs, but sometime, life calls for some hard codes. Are you up for the task?

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Unfortunately, too many people are quick to surrender. Once the juggernaut walks into town, most people are ready to throw in the towel before the fight even begins. What about rethinking your business entirely? Using more creativity and incentives to not only attract customers, but developing loyalty in the long-term relationship as well.

No matter what industry you may find yourself in, know and understand that the concept remains the same, no one is safe from being "Amazoned." How you react to it can make the whole difference. As always, we encourage you to not simply have resources, but to be more resourceful! There is a lot of noise out on the market, however, no one delivers your product / services like you. Your unique skill sets must be accentuated, so don't be shy to put them on display!

Have a great Halloween this month! As always, we are here to service you, call us for any of your legal needs – 714-966-2646

Baby Boomers Beat Generations on Consumer Spending, and Remain a Major Force in US Consumer Spending

Baby boomers beat the millennials in consumer spending and are accounted for more than 50% of the total spending in the country. They also drive the spending growth for this decade versus other generations. In short, our seniors remain a dominant force in consumer spending, and research from the Visa Business and Economic Insights reveal that they will remain in that position for the foreseeable future.

There are two main driving forces why this is happening. Demographics is one □ there are more □above 60 years young□consumers than there was a decade ago. With the advance in science and technology, we are living longer lives, and for many, a healthy one at that!

Next is spending habits or behavior. Baby Boomers are retiring later, and they are maintaining their budgets for treats and travel. In addition, there will be almost 11 million more consumers 60 years old and up in the coming years. They are predicted to spend more, and could reach as high a 33% of all aggregate spending by 2025. Not bad for a generation that is supposedly in their □golden years.□From what we have seen in our office, the Baby Boomers remain strong in health and mind, and obviously, it is showing economically.

They also stay in the workforce longer, so growing old does not translate to slowing down for them. Their debts are also increasing; in fact, over 50% of the debt can be linked to the money they select carrying on credit cards, student loans, auto loans, mortgages and home equity loans. The student loan part is not a mistake! Many of them are going back to school.

And because they work longer, they also have ever-changing spending habits. And with technology using devices, such as computers and Smartphones, they also have better access to shopping online, not to mention its convenience of them not having to visit the local neighborhood store.

Transactions involving card-not-present are accounting for 40% of credit spending for over 60 consumers, a portion only slightly lower than the total average CNP spending of 40.3%. What do all these statistics tell us? Consumer spending is up despite declining labor force growth and population □ and we can give our Boomers the credit for that.

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Have you ever heard of the National Mother-in-Law Day? Perhaps, the day is one of the lesser-known celebrations for many of us. But we do have this special occasion, every fourth Sunday of September. This is the time when people give honor to their mothers-in-law! How can one celebrate such a... joyous occasion you ask? 🙄 Many keep it simple. So simple in fact they forget it exists! But that is not how simple we are referring to. Some post pictures and messages on social media with the hashtag #happymotherinlawday, or write their mothers-in-law a letter. To celebrate it creatively, you may want to try indulging in her hobbies, such as gardening, knitting, baking or rescuing dogs, whatever her particular pastime may be. Consider gifting her something she could use for those hobbies. This would be a simple but thoughtful gesture.

Finally, you can simply spend quality time with her. As they say, time is the most precious gift anyone can give and receive. Without looking at your schedule, spend a few hours or even a day with your mother-in-law on her special day.