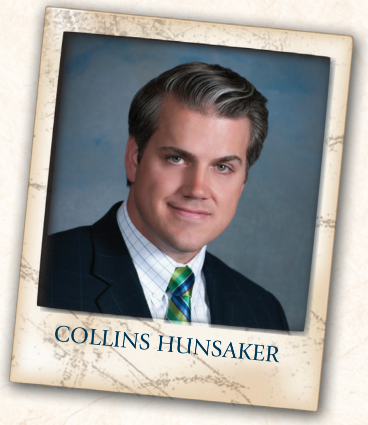
JEFFREY BURR IS PLEASED TO ANNOUNCE

Collins Hunsaker

AS DIRECTOR OF ESTATE PLANNING



Collins graduated from Brigham Young University in 2005 with a degree in Political Science (BA). In 2009, Collins earned his Juris Doctorate (J.D.) from Chapman University School of Law. While attending law school, Collins participated in the Low Income Taxpayer Clinic, providing representation to low income taxpayers before the Internal Revenue Service or in U.S. Tax Court on audits, tax collections disputes, and a number of other issues. Additionally, Collins earned two CALI Excellence for the Future Awards for high grade honors in the study of Tax Exempt Organizations and Income Taxation of Trusts, Estates, and Beneficiaries. Upon the completion of his J.D., Collins continued at Chapman University School of Law and obtained a Master of Laws in Taxation (LL.M.) in 2010.

Collins has been with the firm for 10 years, focusing in the areas of Estate Planning, Asset Protection and Taxation.

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CLIENT FOCUS

SANDERS' 99.5% ACT ESTATE TAX PROPOSAL

Recently, Bernie Sanders presented his proposed tax reform legislation, which outlines drastic changes to the estate and gift tax exemption. While it is our hope that this proposed law will not be enacted, it seems best to "plan for the worst and hope for the best," given the unpredictable political climate, and the possible changes that may be made if a watered down version of this potent proposed law passes. The good news is that the proposed reduction of the estate tax exemption amount from $11,700,000 to $3,500,000 would not occur until January 1, 2022.

The same timing applies for the proposed reduction of the gift tax allowance to only $1,000,000, which means that people will not be able to gift more than $1,000,000 after 2021 without paying gift tax.

Also, the proposed increase in the estate tax rate to 45% once a deceased person's taxable estate exceeds $3,500,000, and 50% and higher when the amount subject to tax exceeds $10,000,000, will not apply until 2022.

In addition to the above exemption and tax changes, gifting of up to $15,000 per year per person will be limited to $30,000 per donor per year for gifts to irrevocable trusts or of interests in certain "flow through entities" beginning in 2022.

The tougher news for many clients is that some of the primary tools and strategies that we have used in the past will not be available in the future, beginning upon the date that President Biden signs the bill into law, if this occurs. Once that happens, we will not be able to fund or have assets sold to Irrevocable Trusts that can be disregarded for income tax purposes, and we will also not be able to use valuation discounts or Grantor Retained Annuity Trusts (GRATs) in most circumstances, although those arrangements put into place before the new law is passed will be grandfathered as long as they are not added to or altered after the law is passed, as presently written.

This is an important **CALL TO ACTION** for families having assets expected to exceed $3,500,000 per person to take a **serious** look at their present planning situation in order to determine whether to take immediate steps to avoid death taxes. In particular, clients who have irrevocable trusts may want to act without delay to extend any notes that may be owned by them to the longest period practical, and to sell assets that may go up in value, and exchanges for assets that may be more suitable to be owned by these trusts, given that exchanges and changes made after a new law is passed may not be possible.

We have been inundated with estate tax planning since the beginning of last year and are generally operating at capacity. If you wish to complete an estate tax plan that you have started with us or to further develop or act upon an estate tax planning structure you already have in place, please let us know immediately, and confirm that you can provide us with updated asset and entity information so that we can avoid any delays in putting whatever you would like to do into action before new law may pass. We will give first priority to clients who contact us without delay and have plans in place or in progress.

If your estate value is $3.5M or over, act now and don't wait!

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HAVING A WILL DOES NOT AVOID PROBATE

We often get asked whether having a Will is sufficient to avoid probate in Nevada. The question is usually asked by children of a deceased parent who are facing the time consuming and expensive probate process because proper estate planning did not take place during the parent's lifetime. The answer, in short, is that in Nevada having a Will is not enough to keep a person out of probate court at their death.

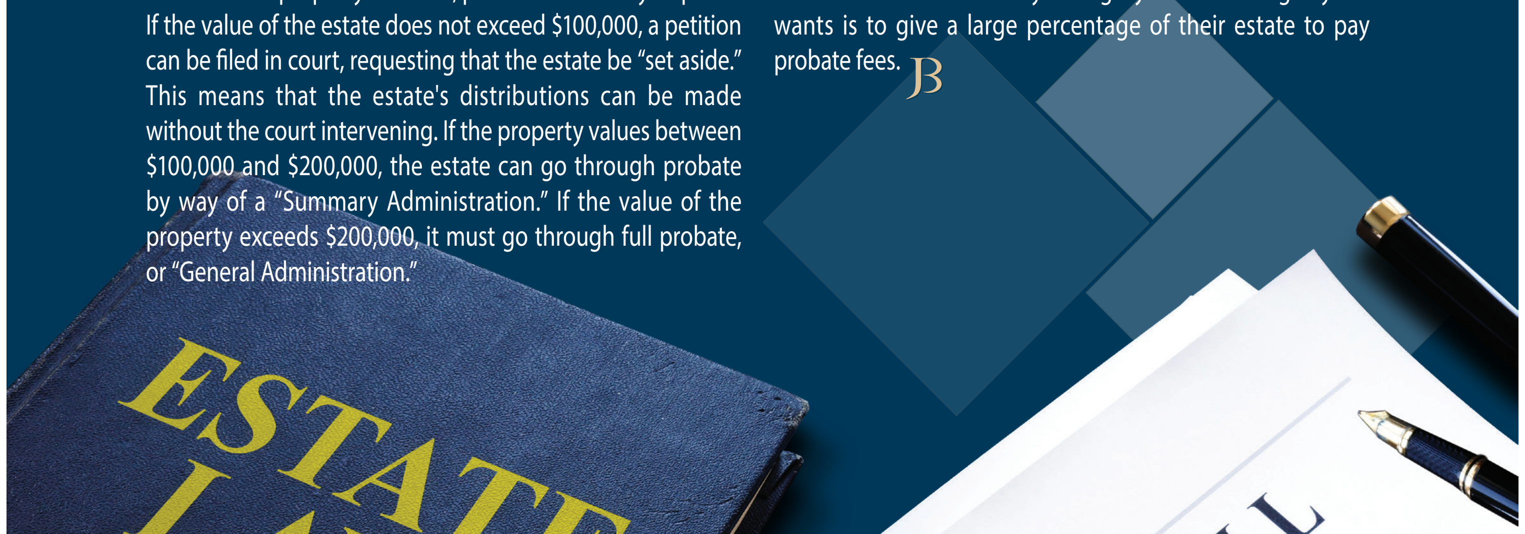
A Will is a legal instrument that determines how assets are to be divided at a person's death. Wills are an effective way to accomplish this goal. However, if a person only uses a Will, a probate will be required for the distribution of those assets that do not automatically transfer to another person, such as with real property. With only a Will, children and other beneficiaries can be stuck with a time consuming, expensive, and public probate.

In Nevada, if the deceased person's assets exceed $20,000, or if there is real property involved, probate is normally required. If the value of the estate does not exceed $100,000, a petition can be filed in court, requesting that the estate be "set aside." This means that the estate's distributions can be made without the court intervening. If the property values between $100,000 and $200,000, the estate can go through probate by way of a "Summary Administration." If the value of the property exceeds $200,000, it must go through full probate, or "General Administration."

There are several effective estate planning techniques which can be implemented to completely avoid probate. For example, a person can create a revocable trust. This estate planning tool allows a person to not only avoid probate and designate beneficiaries of their choice, but it also helps protect a person in the case of incapacity prior to their death. One can also try to avoid probate by making arrangements for the automatic transfer of assets, such as by naming designated beneficiaries on bank and other investment accounts.

Each method of avoiding probate has advantages and disadvantages. It is important to speak with an estate planning attorney before making any decisions to make certain your planning is done correctly, and your goals are successfully met.

We all would like to pass a little on to our children, loved ones, or perhaps to an organization that is important to us. You worked hard to build your legacy. The last thing anyone wants is to give a large percentage of their estate to pay probate fees.



Adult Children and Your Liability

> To prevent the adult child from selling the vehicle, or taking a loan against the title, you can list yourself as a lien holder on the back of the title.

According to Nevada law (NRS 41.440), any liability imposed upon a spouse, son, daughter, parent, or other immediate family member arising out of his or her driving and operating a motor vehicle with the permission, express or implied, of such owner is hereby imposed upon the owner of the motor vehicle, and such owner shall be liable for any damages resulting from such negligence or willful misconduct. Of course, insurance will cover an accident, but only up to the coverage limits of the insurance.

In California, a 22-year-old woman who was driving a parent's vehicle struck and killed a woman and severely injured her two young children. A civil lawsuit was filed naming not only the daughter, but also the parents, as they are also liable as owners of the vehicle.

If you have adult children (over the age of 18) for whom you have purchased a vehicle and the vehicle is titled in your name, protect your assets and avoid any potential liability by transferring title of the vehicle into that child's name. To prevent the adult child from selling the vehicle, or taking a loan against the title, you can list yourself as a lien holder on the back of the title. Visit your local DMV for instructions on how to transfer ownership of a vehicle.

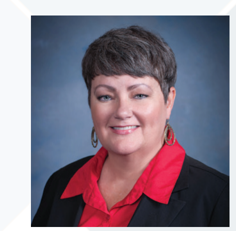
✦ JB HAPPENINGS ✦

One of the firm's greatest strengths is the longevity of its dedicated staff. We have several milestones to celebrate…

Congratulations!

Congratulations to ***Kari Lomprey***, who celebrated ***10 years*** with Jeffrey Burr in January. Kari is a paralegal in our Trust Administration department in the Henderson office. She has over 24 years of experience in the legal field and is very passionate about her work. Congratulations, Kari, on your milestone.

Candy Galaviz celebrated ***25 years*** with the firm in March. Candy is the firm's Probate Coordinator. She has been a paralegal in our probate department for a quarter century. Her knowledge and expertise are unmatched by anyone – the firm is very lucky to have her. Congratulations, Candy!



Congratulations to ***Tracy Torres***, who celebrates ***10 years*** with Jeffrey Burr in April. Tracy started working for the firm as an estate planning paralegal in the Henderson office, bringing with her over 25 years of legal experience. Tracy later transferred to the Summerlin office and found that working in the Probate and Trust Administration departments was her passion. Congrats, Tracy T!