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Announcements

Alex Quast: *Generations* Paralegal

Many of you know Alex Quast as the calm and collected legal assistant to Bill Pearson and Melanie Iverson Kaufman. As someone with meticulous attention to detail and a compassionate, professional demeanor, Alex has been an incredible asset to Foley & Pearson as well as to its clients. We are pleased to announce that, effective this year, Alex is stepping into the role of **Generations** Paralegal, where he will serve as the point person for our **Generations** clients who have questions about their estate planning or are considering making changes to their plans. Alex is excited for the opportunity to serve clients more directly, and he looks forward to working with each of you.

Congratulations, Alex!



Taylor Johnson: Legal Assistant

We are pleased to announce that the face of Foley & Pearson, Taylor Johnson, will be transitioning from his position as receptionist to a new role as Legal Assistant to Bill Pearson and Melanie Iverson Kaufman. Since his arrival at Foley & Pearson, Taylor has embraced his position as the firm's "keystone" and performed the impossible task of directing all incoming calls and paperwork with efficiency and dedication. If you have called the office, you have almost certainly talked to Taylor. Although we will miss having him at the front desk once we find his replacement—it will be difficult to find someone who can spin so many plates while remaining unruffled—we are excited that he has accepted the promotion to Legal Assistant and look forward to watching him spread his wings.

Congratulations, Taylor!



Generations

FOLEY & PEARSON NEWSLETTER

UPDATE on Estate and Gift Tax Rates



For the year 2021, the IRS has increased the individual estate and gift tax exemption amount to \$11.7 million per person. This means that a married couple can pass \$23.4 million free of any estate tax. The annual gift exemption remains at \$15,000 per person. That is the amount that can be gifted to any individual during the calendar year without triggering a reporting requirement to the IRS or reducing the overall estate and gift tax exemption.



Planning for 2021: Top Five

By Bill Pearson

The turn of the calendar is a great time to consider whether your estate plan needs updating. With frequent changes in the law, the estate tax exemption, and your own portfolio, even recent plans should be reviewed. Here is a list of the top five items that you should consider when coming in for your **Generations** trust review.

1. Are my successor trustees still correct?

By and large, your choice in trustee will determine the success of the administration of your trust. To use a football analogy, I call this the "red zone offense." You have spent your life amassing and caring for your wealth. In the end, it is your successor trustee who will be responsible for stewarding the transfer of that wealth to the next generation. For this transition to be successful, as when a corporation grooms a successor CEO, the successor trustee or other agent will be in a better position if they understand their responsibilities and have been groomed for the task.

2. Are my assets properly titled in my trust? If not, is there a good reason why not? And is the titling of each asset properly listed on the Schedule of Assets?

Over the years, I have found that when a client dies, one of the first items I discuss with the successor trustees is the Schedule of Assets. As a part of our **Generations** funding assistance, you are entitled to an asset review



every three years. Make sure to provide our paralegals the appropriate funding information, such as a bank statement or retirement account statement with

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an account number. An up-to-date Schedule of Assets is an essential historical record that helps ensure a smooth trust administration.

3. Does my funding clause still make sense?

As a refresher, the funding clause is the portion of the living trust that determines which sub-trusts, if any, are funded with trust assets at the death of a trustmaker. It may need to be updated if tax laws change. Unless action is taken by Congress, the \$11.7 million exemption will revert back to \$5 million indexed to inflation, effective January 1, 2026. When we hold our **Generations** trust review, the trust funding clause (or lack thereof) is one of the items the attorney will discuss with you.

4. Do I need a Trust Protector incorporated into my trust plan?

It has been said that people overestimate what will change in two years, but underestimate what will change in ten. In the 16 years I have been with the firm, I have been amazed at how rapidly and continuously things have changed. With the development of a concept called a Trust Protector, the trust can allow for an independent third party to make technical revisions to the

trust. Using a Trust Protector provides flexibility for changes you may never have been able to anticipate.

5. Should I make a gift now?

This is a counseling issue specific to the client and the current and anticipated future situations of the beneficiaries.

What may not have made sense ten years ago may make sense now.

What may not have made sense ten years ago may make sense now. As the attorney, my goal is to understand the client's needs and what kind of gift they are making; i.e., cash, a house, appreciated stock, etc. The advice I give and the ensuing tax implications are highly dependent on the asset, the client, and the beneficiary.

These five things to consider are just some of the items that the attorneys at Foley & Pearson, P.C. review with our clients at trust review appointments. We hope you find them helpful, and we look forward to seeing you in 2021.



Successor Trustee Workshop

As many of our long-term **Generations** clients know, our firm has traditionally offered a free training workshop for our **Generations** clients' successor trustees around the holidays. In light of the COVID-19 epidemic, this year we are unable to host this workshop in person. We are, however, offering this workshop as a webinar, to be held on February 4, 2021, at 12:00 p.m. This will be a live and interactive workshop, taught by Chelsea Ray Riekkola and Melanie Iverson Kaufman. We encourage you to invite any successor trustees or family members whom you would like to become more informed regarding your estate planning.

To RSVP, please call our office at (907) 522-2272 or email us at F e b 0 4 2 1 w o r k s h o p @foleypearson.com. Be sure to indicate how many will be attending, as space is limited. If you have any questions or issues you would like addressed in the presentation, feel free to include them in your RSVP.

We hope to see you there!



Welcome Melanie Iverson Kaufman!

Foley & Pearson, P.C. is pleased to welcome to its team attorney Melanie Iverson Kaufman.

Melanie was born and raised in Anchorage, Alaska. After graduating from Bettye Davis East Anchorage High School (go T-Birds!), she interned for the late Senator Ted Stevens in Washington, D.C. That internship cemented Melanie's passion for government and public service, and led to her Bachelor's degree in political science from New College of Florida in Sarasota. Along the way, she enjoyed a semester abroad at Flinders University in Adelaide, South Australia.

After a detour dancing with an Oregon ballet company, Melanie discovered her passion for the law. She obtained her law degree from Willamette University College of Law in Salem, Oregon. During law school, Melanie was an Executive Editor of the Willamette Law Review and focused her studies on estate planning and related topics. She also clerked in Portland for the U.S. Attorney's Office, District of Oregon.

Melanie brings to Foley & Pearson her enthusiasm and

experience in estate planning, trust administration, and probate. She is a member of the Anchorage Estate Planning



Council, and has spoken on estate planning and administration for several organizations, including the National Business Institute, the Anchorage Library Foundation, and Stone Soup Group.

Melanie loves to remain active and stay busy with her husband and two children. In the summer they hike; in the winter they ski; and in the shoulder season they start to feel impatient for better weather. In any season, Melanie can often be found in a dance class continuing her lifelong practice of ballet.



UPDATE on Notarization Requirements



As of January 1, 2021, the State of Alaska imposed additional requirements on Notaries Public when notarizing signatures. Notaries are now required to keep a physical notary log with an entry of every notarization performed. The log must include specific reference to the form of identification used to verify the signatory's identity. We have implemented signing protocols to ensure in-office notarizations meet all legal requirements while maintaining as much efficiency as possible.

The firm's staff would be helped greatly if all clients coming in to sign a document bring an official form of state, tribal, or federal ID. Examples include military ID, driver's license, passport, or tribal ID. Please keep in mind that signing appointments may also take a bit longer with these new requirements in place.

Thank you to all our clients in advance for your patience as we transition to this new system.

