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## Happy Independence Day—Proud to Be American

Most people celebrate the 4th of July with fireworks, picnics, and parades, but do you know exactly why the holiday is so important to our country?

In the years leading up to 1776 there were 13 Colonies under the rule of England's King George III. There was growing unrest in the Colonies concerning the taxes that had to be paid to England. The colonies had no representation in Parliament, so this "taxation without representation" angered people. In 1774 the colonies sent delegates to Philadelphia, Pennsylvania to form the first Continental Congress. The Continental Congress tried to work out their differences with England for 2 years. However, by June 1776 their efforts had become hopeless and the second Continental Congress met and formed a committee to write a formal Declaration of Independence, headed by Thomas Jefferson. Jefferson was chosen to write the first draft of everything the committee had discussed. After various revisions of the

document the Continental Congress declared their independence on July 2, 1776. They officially adopted the Declaration on July 4, 1776. That is why we call it "Independence Day". To make it official, John Hancock, President of the Continental Congress signed the Declaration of Independence "with a great flourish" so "King George can read it without spectacles!" In January 1777, Congress sent signed copies to all of the colonies.

The Declaration of Independence is a symbol



of our country's independence and commitment to certain ideas. The signers wanted us to be able to look at the Declaration of Independence and think of the goals we should always be working for and about the people who fought so hard to make these ideas possible. The people who signed the Declaration risked being hanged for treason by the leaders in Great Britain. They were very brave to sign something that would be considered a crime! So, every 4th of July we should think about all of the effort and ideas that went into the Declaration of Independence, and the courage it took for our forefathers to stand up for what they knew was right—freedom and independence.

**We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the pursuit of Happiness.**

# Legal Bytes





**Great Truths Adults Have Learned**  
Today's mighty oak is just yesterday's nut that held its ground.

## So, You Don't Think You Need A Will?

If you are young, healthy and busy building up your assets, an estate plan to distribute those assets might be the furthest thing from your mind. If you are older, you might postpone estate planning because of uncertainty about future changes to estate tax laws, or simply because death is an unpleasant subject.

Whatever your age and life circumstances, and no matter what the size of your estate might be, you're doing yourself and your loved ones a great disservice if you don't prepare a **will**—a document that directs the disposition of your assets and provides other instructions upon your death.

### What happens without a will?

If you haven't written a will, you may be surprised to learn that the state in which you reside has effectively written one for you. Every state has statutes that will determine your heirs if you die "intestate" -

that is, without leaving a valid will. States have formulas to help decide the amounts that each heir will receive. There are even circumstances where the state will award your assets to itself!

If this isn't enough to send you running to an estate planning attorney, there's more. While the rules vary from state to state, if you die without a will and have children under age 18, the state will decide who will care for them— without your guidance.

Then there is **Probate** - the state court procedure that administers your estate. Probate applies whether you have a will or not. It can be an expensive, arduous process, generating substantial attorneys' fees for your loved ones to pay.

### A Living Trust isn't enough.

Revocable living trusts have become very popular in recent years. With a living trust, you transfer assets into the trust during your lifetime. Upon your death, those assets go directly and

immediately to the beneficiaries you've specified. Unlike a will, assets in a living trust don't have to go through probate. A will is a public document; a trust is a private document.

So, why does someone with a living trust still need a will? Combined with a revocable living trust, a "pour-over-will" can ensure that any property that is not already titled in the name of the trust before death will be transferred into the trust at death. A will can also provide for the intended disposition of assets intentionally held outside the trust.

If you have minor children you will need a will to name a guardian and make financial provisions for them. A will can also spell out how you want personal property like antiques or jewelry distributed.

Please contact John L. Maier, Jr. if you have any questions and be sure to visit our website at [www.wisclaw.com](http://www.wisclaw.com) for other informative estate planning articles.

## Attorney Advice—No Charge



We've all heard horror stories about fraud that's committed on people in stealing a name, address, Social Security number, and/or credit cards. If you've ever had your wallet stolen, you will know that a lot of damage can be done in a very short period of time.

Here's some critical information to limit the damage in case this happens to you or someone you know.

-You should cancel your credit cards immediately, but the key is having the toll free numbers and your card numbers handy so you know whom to call. Keep those where you can find them.

-File a police report immediately in the jurisdiction where your credit cards, etc. were stolen. This proves to credit providers that you were diligent and this is a first step toward an investigation (if there ever is

one).

-Here is what is most important of all: call the 3 national credit reporting organizations immediately to place a fraud alert on your name, and, also, call the Social Security fraud line number. Thieves can make application for credit over the internet in your name. This alert means any company that checks your credit will know your information was stolen and they will have to contact you by phone to authorize new credit.

Here are the numbers you always need to contact about your wallet, if it has been stolen:

1. Equifax: 1-800-525-6285
2. Experian (formerly TRW): 1-888-397-3742
3. Trans Union: 1-800-680-7289
4. Social Security Administration (fraud line): 1-800-269-0271

Please pass this information along to someone that you care about.





## Estate Planning Alert!

The Durable Power of Attorney for Finances and Other Property has been in use in Wisconsin for many years now, but a revised version of the Act authorizing financial durable powers of attorney has now been adopted in order to “cure” some of the problems experienced under the existing law.

The new Act will go into effect on September 1, 2010. It is a good reason to take a

look at your estate plan in general, and see if you should come in for a review and an upgrade.

Although Powers of Attorney signed under the old law will be “grandfathered” the new Act represents a complete overhaul of the law, and will offer greater flexibility for persons who wish to use durable powers of attorney, more detailed guidance for agents, as well as more protection for third parties (such as banks) who are asked to accept

powers of attorney. For you and your family to use the benefits offered by the new Act, you would need to replace your “old” power of attorney with one signed on or after September 1, 2010, under the new law.

See the more detailed Article on this topic which is on our Website under the Estate Planning section, and call, or email, us with your questions and comments.

[www.wisclaw.com](http://www.wisclaw.com)

## Year-End Countdown To Big Tax Changes

In the 1950's, we “watched the skies” for UFO's, and in the 60's the UFO menace gave way to threats of nuclear missile attack. At the end of the millennium, we waited for all of our computers to “crash and burn” due to mysterious forces having something to do with our computer programming.

Today, we all face the “countdown” to the end of the Bush tax cuts – which expire at midnight on December 31, 2010. Since, in general, income taxes are set to rise sharply as of January 1, 2011, Americans are again “on alert” waiting and watching the US Congress for any signs that any of the prior cuts might be extended. While certainly not so dire as an attack by Martians, the scheduled rise in taxes will affect us all in some way. For example, the highest personal tax rates will go up from 35% to 39.6%; tax rates on dividends

will go up from 15% to 39.6%; capital gains rates jump from 15% to 20% and the estate tax rate will skyrocket from zero now to 55% (unless Congress acts between now and the end of the year).

It is important to watch the news, meet with your personal and business tax advisors, and take what action will benefit you “and your pocketbook” between now and the end of 2010. There are many opportunities to save on income tax with proper planning. It will also be important to keep advised on how the coming changes to the Federal Estate Tax Laws will affect you, and your family. Although there is no Federal Estate Tax this year, it is set to come roaring back the first of next year, and since the tax rate is 55%, it will pay you and your family to use whatever estate planning techniques may be available to you in order to minimize that kind of confiscatory tax bite.

Watch our WEB site for new articles and information on opportu-

nities for tax savings as the year end grows closer! We're all in it together. Watch our WEB site for new articles and information on opportunities for tax savings as the year end grows closer! We're all in it together.

## Yes, We Are Accepting New Clients

We are often asked if we have time to serve additional clients. We appreciate your business, and we would also appreciate your referrals. We are a growing firm so new clients are welcome. Please mention our name to your friends, relatives and business associates for estate planning, real estate, probate, business and community association law.

Respectfully,  
**John L. Maier, Jr.**  
**President**



