



Sweet, Maier & Coletti, S.C.

114 N. Church St.
PO Box 318
Elkhorn, WI 53121
262-723-5480
www.wisclaw.com

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Legal Bytes

5 Reasons to Update Your Will and Estate Plan

When life inevitably changes, so should your will. Would you feel confident that if you died today your wishes for the distribution of your estate would match the actual written plan set forth in your current estate planning documents? Because change is a constant in our lives, it's important to keep estate plans up-to-date.

1. **You were recently divorced or widowed.** Sadly, not all marriages last. You need to update your will as the result of a divorce, or if your spouse has died. It may be uncomfortable to update your will right away, but for the safety of your heirs, you should update it as soon as possible.
2. **Your children are grown.** If you created a will when your children were young, you likely included provisions for guardianship or established a trust fund. But

if they are old enough and financially responsible, you may no longer need those provisions.

3. **Your estate has increased substantially in value.** Most people accumulate wealth over time. If the value of your estate has increased substantially throughout the years, you need to make sure your will fits your current financial situation. The Federal estate tax is currently in flux, and can have a huge impact upon how much of your hard-earned estate will pass to your heirs without being taxed at a rate comparable to confiscation. Minimizing taxes is always a good reason to periodically have your plan reviewed.
4. **Your child is contemplating divorce.** Make provisions to ensure that your child receives his/her intended inheri-

tance in the case of divorce. Instead of giving the property directly to your child, consider keeping it in a trust and avoid it becoming part of a dissolution proceeding.

5. **Your trustee's situation has changed.** What if the executor, guardian or trustee named in your will or living trust has moved or has passed away? Or if you have named a couple as guardians for a minor child who have since divorced, they may not want the dual responsibility.

Remember, these are only five of the many reasons which result in a need for you to update your will and estate plan. We are ready to help. Call for an appointment.



Great Truths Adults Have Learned

Families are like fudge...mostly sweet,
with a few nuts!

Wisconsin Auto Insurance Changes For June, 2010

Beginning on June 1, 2010, all Wisconsin drivers are required to have an automobile insurance policy in force which provides for the following minimum liability coverage:

- a) \$50,000 for injury or death of one person;
- b) \$100,000 for injury or death for two or more people; and
- c) \$15,000 for property damage.

The law also requires uninsured and underinsured motor coverage each with minimum limits of \$100,000/\$300,000 for bodily injury coverage.

Auto liability coverage is purchased to protect you if you get sued because of a car accident that you caused in whole or in part. This type of insurance is now mandatory because the legislature felt that providing insurance coverage is part of your responsibility as a driver.

How much, and what kind of, insurance is enough? The

answer is as much as you can reasonably afford. An accident is just that – an accident, which is not something that you expect to happen, but life brings those types of unexpected events. The minimum amount required - \$100,000 – is about what the medical bills would be for only one week of hospitalization in a serious accident. If a younger person, for example, suffers a neck or back injury which prevents them from returning to employment, the damages will almost always exceed \$100,000, and if you don't have enough insurance, your personal assets will be at stake.

Our recommendation is that you purchase at least \$500,000 in liability coverage, and also explore purchasing an “umbrella policy” of at least \$1,000,000. In today's world, notwithstanding what the law of Wisconsin is going to require as a minimum, we feel that you should use good sense. Protect yourself, and your family, from liability claims by having enough insurance with a good company to guard against losing everything in the event of that accident.

Avoid The Vacation Hotel/Motel Scam *

This is a very simple scam which is very scary because it works all too often. You're on vacation and you arrive at your hotel and check in at the front desk. When checking in, you give the front desk your credit card (for all the charges for your room). You get to your room and settle in.

Someone then calls the front desk, and asks (for example) Room 620 (which happens to be your room). You answer the phone, and the person on the other end says the following: “This is the front desk. When checking in, we came across a problem with your charge card information. Please re-read me your credit card number and verify the last 3 numbers at the reverse side of your charge card.”

Not thinking anything of it, you might give this person your information, since the call seems to come from the front desk. But actually, it is a scam set up by someone calling from outside the hotel/front desk. They ask for a random room number. Then, when connected, they ask you for credit card and address information, always sounding so professional that you do think you are talking to the front desk!

If you ever encounter this problem on your vacation, tell the caller that you will be down at the front desk to clear up any problems... Then, go to the front desk and ask if there was a problem. If there was none, inform the manager of the hotel that someone called to scam you out of your credit card information acting like a front desk employee.



* This valuable tip was contributed to us by our friends and clients, Joe and Anna Au.

It's "Tax Time" -- Watch Out for Scammers

Scammers impersonating IRS agents are out and about on the internet this tax season!

You open your email account and find a message sent by the IRS requesting information about your tax account, or personal finances. You need to comply -- right? After all,

people have to cooperate with the IRS, or else. The answer here is be skeptical, and recognize that you are the subject of a scam. The IRS does NOT send taxpayers unsolicited e-mails. But "scammers" do, attempting to trick you into disclosing all sorts of information which they then use or sell to your detriment. Those impersonating IRS agents are out and about on the internet highway this tax season, and they may also seek to confuse

you, and steal your information, through a phone call, fax inquiry, "Twitter" account message, and any other inventive manner they can think up.

Don't fall for such a scheme. Don't open any attachments, and don't go to any links that might subject you to unwittingly download a virus, or have you end up being asked to fill out a false IRS form, or go to a fake IRS WEB site. If you are in doubt, call us.

NEW STATE-IMPOSED FEES FOR THE REZONING OF A-1 FARMLAND!

While you may have been taking some time off to enjoy the holidays last December, your government's efforts to come up with even more fees never stopped. Beginning January 1, 2010, the State of Wisconsin has mandated all counties to collect a "Farmland Preservation Rezone Conversion Fee" under State Statute 91.48. The fee is required to be charged for each A-1 rezoned acre, or portion thereof, equal to the greater of three times the per acre value of the yearly assessed highest value category of tillable cropland in the Town, as specified by the Wisconsin Department of Revenue. While that is certainly a "mouthful", what it means in dollars and cents is that **the fee will be approximately \$900 per acre.**

For our clients who own land zoned A-1, if you have a 40-acre

parcel that you want to rezone out of A-1, this new fee amounts to approximately \$36,000! And, it applies regardless of whether you have ever collected Farmland Preservation tax credits.

The way it will work in our County is that if the County Zoning Agency makes a recommendation for approval of your A-1 requested rezone to another district, then you will have to deposit the entire state mandated fee with the County prior to the rezone being sent to the County Board for final consideration. Property owners will be required to meet with Zoning Staff to determine the exact dollar amount of the Fee, and place it on deposit within one week of the CZA's rezone recommendation in order to insure that the rezone is placed on the next County Board agenda.

According to the State of Wisconsin, the Fee is intended to discourage excessive rezoning of agricul-

tural land, and these revenues will be paid into a State Farmland Preservation trust fund, and used to help fund State, County and local farmland preservation programs. For the property owners themselves, it certainly is going to come as a great shock.

If you are contemplating a rezone, for further information on this new requirement please feel free to get in touch with us.



