



A monthly report for
wealth management
professionals

Wealth Management Update

April 2020

Edited by Henry J. Leibowitz

As part of our ongoing efforts to keep wealth management professionals informed of recent developments related to our practice area, we have summarized below some items we think would be of interest. Please let us know if you have any questions.

Assisting Your Clients in the COVID-19 World

Dear Advisors:

We at Proskauer wish you health and safety during these tumultuous times. It is our hope that you are handling this new reality with as much normalcy as is possible.

We are sending you this communication to share with you some thoughts as to how you can assist your clients and add value during these tumultuous times:

Funding Revocable (Living) Trusts

Many of your clients' estate plans consist of "pour over" Wills into revocable living trusts. Many of these revocable trusts are unfunded which means a Will would still need to be probated in court when an individual dies. However, Probate or Surrogate's Courts in many states are shut down. Even if they reopen soon, it could take months to probate a Will due to the backlog. Without probate, your client's family will not be able to access the deceased's accounts. Therefore, you may want to suggest to your clients that they fund their revocable trusts now. Even with stay at home orders, clients and institutions are able to re-title accounts into trust name. By doing so, you will help your clients avoid long delays in obtaining probate of a Will because of Court closures and allow for uninterrupted access to accounts in the event of a death of the account owner. We are available to help you accomplish this funding.

Review Estate Planning Documents

Suggest to your clients that they review their estate plans to make sure it reflects their wishes (including Executor, Trustee and Guardian appointments). They should make sure their health care proxy/living will and power of attorney are current. Suggest that they prepare a list of all accounts and passwords. They should locate all deeds, titles, etc. to real property. And if your clients have some extra time now it would be an ideal time to update letters distributing tangible property and letters of intent.

Additionally, we are hearing from our clients that they want to modify their estate plans and amend their wills and trusts. Each state has special rules as to how this can be accomplished, and we are able (in most cases) to arrange for those changes to be made.

Please contact any of us and we can help you help your clients.

IRAs and Retirement Plans

Review your clients' beneficiary designations with them to ensure it reflects their current wishes. Remember that IRAs and retirement plans do not pass under your client's Will or revocable trust and instead passes under their beneficiary designation form which perhaps they have not updated in a long time. Especially with respect to children and grandchildren, we can assist you in coordinating your client's retirement plan beneficiary designations with trusts that may have been established in their Wills or revocable trusts for those same individuals.

Assisting Your Clients In The COVID-19 World.....	1
Funding Revocable (Living) Trusts..	1
Review Estate Planning Documents	1
IRAs and Retirement Plans.....	1
Estate Planning Opportunities.....	2

This publication is a service to our clients and friends. It is designed only to give general information on the developments actually covered. It is not intended to be a comprehensive summary of recent developments in the law, treat exhaustively the subjects covered, provide legal advice, or render a legal opinion.

© 2020 PROSKAUER ROSE LLP
All Rights Reserved.

Also please note that under the recently passed CARES Act, required minimum distributions are suspended during 2020.

Estate Planning Opportunities

The primary focus of estate planning is to transfer assets when they are not worth a lot, so that when they become worth a lot there is no 40% transfer tax imposed on the transfer of those assets by gift.

The significant pull back in the stock market allows the transfer of assets. Therefore we suggest that you continue to remind your clients to use:

- Interfamily loans and promissory notes (For a detailed analysis of estate planning using promissory notes, please see our recent client alert devoted solely to promissory notes that can be retrieved at this [link](#).)
- GRATs (For a detailed analysis of GRATs, please see our recent client alert devoted solely to GRATs that can be retrieved at this [link](#).)
- Outright gifts to spousal lifetime access trusts (SLATs)
- Sales to SLATS
- Charitable Lead Annuity Trusts (CLATS)

Our Private Client Services Department is working remotely and able to assist with any of your clients' estate planning needs. Please let us know if you are interested in pursuing any of the ideas set forth above. We are all sitting at our computers and on our cell phones (at home) ready to assist.

Stay safe everyone!

The Private Client Services Department at Proskauer is one of the largest private wealth management teams in the country and works with high-net-worth individuals and families to design customized estate and wealth transfer plans, and with individuals and institutions to assist in the administration of trusts and estates.

If you have any questions regarding the matters discussed in this newsletter, please contact any of the lawyers listed below:

BOCA RATON

Albert W. Gortz

+1.561.995.4700 — agortz@proskauer.com

David Pratt

+1.561.995.4777 — dpratt@proskauer.com

Lindsay A. Rehns

+1.561.995.4707 — lrehns@proskauer.com

LOS ANGELES

Mitchell M. Gaswirth

+1.310.284.5693 — mgaswirth@proskauer.com

Andrew M. Katzenstein

+1.310.284.4553 — ak Katzenstein@proskauer.com

NEW YORK

Nathaniel W. Birdsall

+1.212.969.3616 — nbirdsall@proskauer.com

Stephanie E. Heilborn

+1.212.969.3679 — sheilborn@proskauer.com

Henry J. Leibowitz

+1.212.969.3602 — hleibowitz@proskauer.com

Vanessa L. Maczko

+1.212.969.3408 — vmaczko@proskauer.com

Jay D. Waxenberg

+1.212.969.3606 — jwaxenberg@proskauer.com

This publication is a service to our clients and friends. It is designed only to give general information on the developments actually covered. It is not intended to be a comprehensive summary of recent developments in the law, treat exhaustively the subjects covered, provide legal advice, or render a legal opinion.

Proskauer.com

© 2019 PROSKAUER ROSE LLP. All Rights Reserved. Attorney Advertising.