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Recent Estate Planning Lessons We Can Learn From Celebrities

You may have heard about the recent passing of celebrities Aretha Franklin, Prince, Kate Spade, and Stan Lee. While the loss of these celebrities has made national news lately, the reason why may surprise you. Each of these celebrities passed with either no estate plan in place or lack of clear direction for the distribution of their assets. As a result, the families of these celebrities are facing a period of uncertainty and confusion in an already difficult time. Unfortunately, this could have been avoided by discussing and implementing a comprehensive estate plan ahead of time.

Our goal is to educate you about common estate planning mistakes, so you can help ensure that your loved ones are not left vulnerable in the event of your passing. This is why we want to share with you some of the lessons that can be learned from the lack of clear and organized estate planning by a few notable celebrities.

Aretha Franklin

Many of us know who the “Queen of Soul” is, but did you know that Aretha Franklin passed away in August of this year without an estate plan? Unfortunately, she left behind four adult children, including one child with special needs, and an \$80 million estate with no protections in place.

(Contd. from Page 1) If you have a special needs child, it is important that you consult with an estate planning attorney about setting up a special needs trust for him or her. By creating this type of trust, you can help ensure your child's inheritance and government benefits are protected after your passing.

Kate Spade

It was a surprise to many when legendary designer, Kate Spade, unexpectedly passed away this year. When she passed, Kate Spade was separated from her husband and going through a divorce. Many people do not know that being legally separated does not mean that your spousal rights cease to exist. This is why, if you are in the process of obtaining a divorce, it is crucial that you account for upcoming changes in your planning documents.

Prince

Legendary singing icon, Prince, is another example of a celebrity who passed with no estate planning in place. The singer left his \$200 million estate vulnerable to estate tax liability and more than two years after his death, his heirs still have not received any funds from his estate. Currently, his assets are tied up in probate proceedings, and the specifics of his estate are now considered a matter of public record. To preserve privacy and avoid dying intestate, it is crucial to have a comprehensive estate plan in place.

Stan Lee

Recently, Marvel legend, Stan Lee, passed at the age of 94. Unfortunately, since his passing, reports have suggested he was a victim of financial elder abuse, with claims that people close to him were trying to gain access to his money. Additionally, Stan Lee's sole heir, his daughter JC, is argued to be financially irresponsible. As a result, Stan Lee's estate is likely to be contested and subjected to lengthy and costly litigation. Although this type of manipulation can never be fully prevented, the likelihood may be able to be reduced or avoided by naming someone you trust as your trustee and ensuring that your estate plan is kept current with your attorney.

These are just a few of the estate planning lessons that we can learn from celebrities. One of the best ways to ensure that your estate plan is not vulnerable to these planning pitfalls is to discuss your goals and needs with an experienced estate planning attorney. If you are ready to get started on your estate plan, do not wait to reach out to our office.

How to Talk to Your Kids About Estate Planning During the Holidays

The holidays are a time for expressing your gratitude and showing your loved ones just how much they mean to you. While you may show your appreciation by purchasing gifts or spending quality time with your loved ones, creating an estate plan and sharing that legacy with your children is one of the best gifts you can give. You may be struggling, however, to approach this topic with your children. We know this can be a challenging conversation to have, which is why we want to share some advice about having this discussion while you are with your children over the holiday season.



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First, set the framework for a productive conversation by briefly asking your children to set some time aside whenever is convenient to discuss this important topic. We recommend that you prepare ahead of time and have a plan for how you want the conversation to proceed. You likely know your children better than anyone. Think about how you believe they will react and the questions and concerns they may bring up during the conversation. By preparing for this ahead of time, you can consider your answers and can help keep the conversation from getting sidetracked.

Next, allow your children some time to process the information that you are telling them. The holidays can be an emotional time. Your children may have a negative reaction, for example, if you are leaving more to one child than another. On the other hand, your children may be taken aback by the amount of assets you are leaving them, or may find thinking about a time when you are no longer with them emotionally overbearing. The key is to listen. Let your children have their say in the conversation, but be prepared to share why you have made certain decisions. Paint a picture for your children by explaining the legacy you wish to leave behind for them.

Finally, we encourage you to follow up with your children about the conversation you had after the holidays. Whether you believe the discussion went well or not, it is important to keep the conversation going. Each time you update your plan, for example, you may consider sharing those details with your children to keep them informed. This way, your children can feel involved in the planning process and may better understand your thoughts behind each planning decision you make.

We know this can be a challenging topic for you and your children to think about, and an equally as difficult conversation to have. If you have questions about anything raised here or need further advice about your planning, do not hesitate to contact our office.



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Attorney Alan Hougum and his compassionate team will help you protect yourself and the people you love with strategic planning strategies, such as wills, asset protection and trusts, powers of attorney, estate trusts, elder law planning, Medicaid crisis planning, Medicaid eligibility and application, probate and estate administration, avoiding probate, charitable planning and giving, special needs, and estate tax planning. Hougum Law Firm, LLC, serves the entire Wausau, Wisconsin area.

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305 S. 18th Avenue, Suite 200, Wausau, Wisconsin 54401. Do you have questions you need answered before or after your appointment? Just let us know! Contact us by email at info@hougumlaw.com or call us at 715-843-5001.