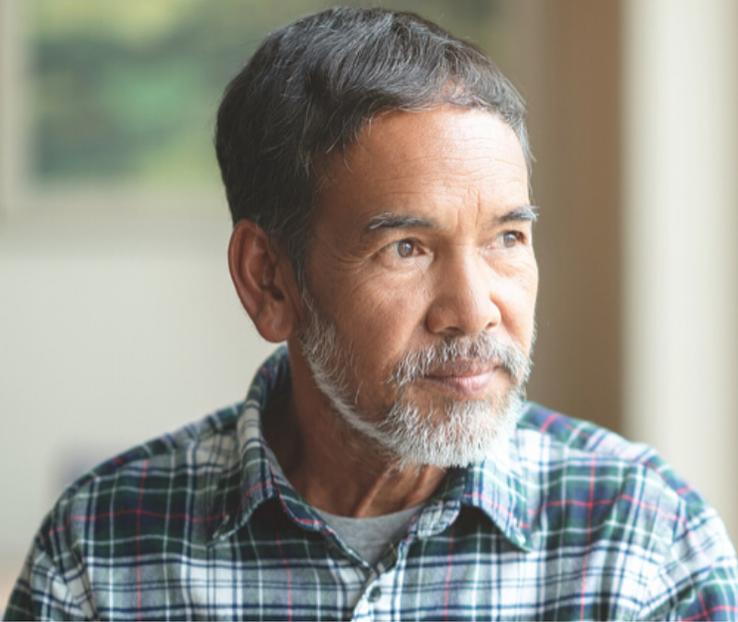




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February 2020 Newsletter



Do You Have the Tips You Need to Age Alone?

If you are living alone, you are not alone. More than 34 percent of women and 20 percent of men over 65 years old live alone in the United States, and that number rises with age. We know just how surprising this can be for you to read. Whether you were thinking about yourself or an aging loved one, contemplating a time when you may no longer live at home is difficult.

It is true, however, that when we live alone we need to take precautions to ensure that we are always safe. This can be especially true for seniors. Do you have any questions? Let us share four tips to age alone that may be able to help you maintain your independence and autonomy for as long as possible.

1. **Watch Out for Predators.** Even the most cautious people have been taken in by criminals. Be aware of current online scams, mail scams, and phone scams. Try to avoid being too trusting of information that you did not solicit. Further, when you live alone, consider running background checks on everyone you hire to come into your home.

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2. Choose the Right Backup Decision-Maker. Create a durable power of attorney and designate the responsibility of agent to someone you trust. You want to make sure your wishes are respected, and honored, if there comes a time when you cannot make decisions for yourself.

3. Know When It Is The Right Time to Move From Your Home. You may love your home, but if you can no longer manage the stairs alone or maintain it adequately, it might be time to look for more suitable living arrangements. This can be a hard step to evaluate yourself. You may need to ask for help from your loved ones, or gently suggest this possibility to a loved one. When possible, take small steps forward and listen empathetically to all involved.

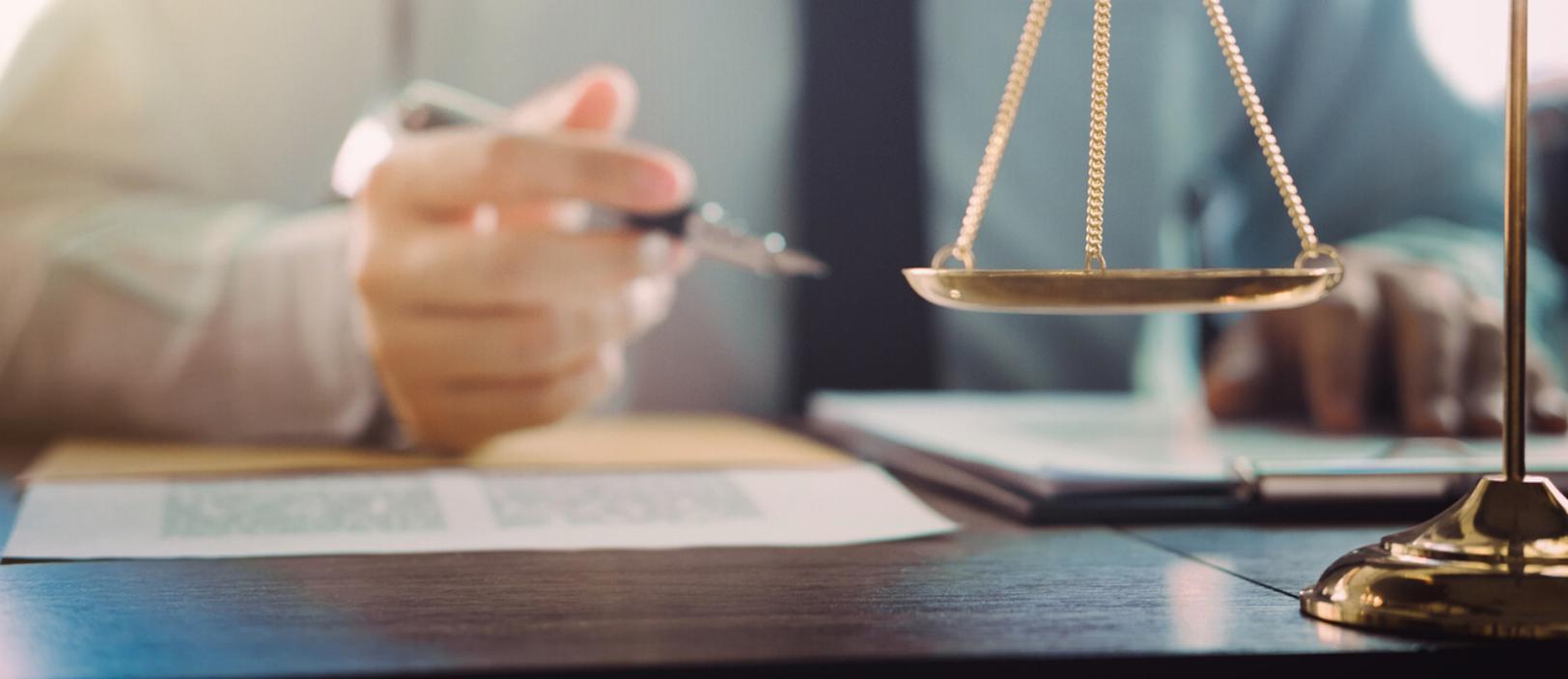
4. Plan Your Estate. If you are not legally protected by an estate plan, which may include a trust agreement, and powers of attorney, now is the time to get it done. You have probably heard the statement “the best defense is a good offense,” and one of the places this holds most true is for estate planning. Decide what you want now, and ask an estate planning attorney to help you achieve the results that you want. We know this article may raise more questions than it answers for you. Do not wait to contact our office at anytime to schedule a meeting with Attorney Alan Hougum.

Do You Know How The SECURE Act May Significantly Impact Retirement Planning?

On December 20, 2019, the federal Setting Every Community Up for Retirement Enhancement Act, otherwise known as the SECURE Act, was signed into law. Congress devised this sweeping retirement reform to address the nation’s financial retirement crisis, and the law took effect on the first day of 2020. There are many changes and not all of them will benefit everyone. This is one of the main reasons why it may be imperative for you to revisit an existing estate plan as soon as possible.

Let us share a few key pieces of information for you to know right now. First, the SECURE Act contains the most significant changes to retirement planning in a generation. It expands access to various “tax-advantaged” retirement accounts, like Individual Retirement Accounts (IRAs) and 401(k)s, and is meant to help seniors avoid outliving their assets. Seniors have traditionally relied on Social Security income and their savings, but now they will purportedly be able to benefit from changes relating to certain retirement accounts.

There is more to know as well when it comes to the changes that have been enacted. Second, IRA contributions are now allowed for life. Before the SECURE Act, aging adults could no longer make regular IRA contributions after age 70½. Now, seniors can continue making IRA contributions as long as they have earned income. This should help support those who continue working later in life.



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Third, annuities may be more attractive retirement payout options. Employer retirement plans, like 401(k)s, have mostly included annuity payout options in the past, but high fees and other risks have stifled them. That has changed as new “safe harbor” provisions protect annuity payout plans. A related benefit is that more employer retirement plans will now offer more lifetime income (annuity) options.

Fourth, required minimum distributions pushed to age 72. Until January 1st, required minimum distributions (RMD) from applicable retirement accounts had to begin at age 70½. This age, however, has been pushed to 72, which can allow for retirement assets to grow tax deferred for a slightly longer period of time.

Finally, inherited retirement account payout periods shortened to ten years. A potential harmful effect of the SECURE Act is that the entire balance of an inherited retirement account now has to be withdrawn and payed-out over 10 years from the owner’s death. The tax implications could be disastrous for loved ones in your estate if it’s not properly planned for.

There is much to consider with this new law in place. We know this article may raise more questions than it answers. We encourage you not to wait to learn the answers you need. You may contact our law firm to schedule a meeting with attorney Alan Hougum at your convenience now, or any time throughout the year.



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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.