

Dear Clients and Friends:

As we near the end of 2012, I want to urge our clients to take advantage of the estate and income tax planning opportunities that are still available. We are living in a period of great uncertainty, as we wait for the results of the 2012 presidential and congressional elections and brace for the income and wealth transfer tax changes scheduled to take effect in 2013. **If you or a loved one has yet to tackle estate and/or income tax planning**, I urge you to do so **before the end of this year**. **If you already have an estate plan in place**, please be aware that there are certain changes to the rules and regulations that also may necessitate updating your documents **before the end of this year**.

A few specific circumstances I'd like you to be aware of:

For clients who have assets in excess of \$1 million dollars, in 2013, the gift tax exemption is set to change from \$5 million at a 35% tax rate to \$1 million at a 55% tax rate. There is a unique opportunity to lock in the ability to make a gift to your loved ones free of estate and gift tax.

For clients who have significant appreciation in their investments, there may be an opportunity to have this appreciation taxed at significantly less than it may be in future years.

For clients who have a significant IRA, it may be advantageous, for both income tax and estate tax reasons, to convert the IRA to a ROTH IRA.

For clients who are the beneficiaries or trustees of an irrevocable trust (established by someone else), there are new income tax rules coming in 2013 that may need to be planned for.

For clients who have not accounted for changing technology, we now plan for a client's digital assets. This includes logins, passwords, social media, e-mail and other online accounts.

For clients considering fertility or reproductive procedures, there are changing definitions and provisions that need be incorporated into estate planning documents, as it is possible that a deceased estate's could never end due to waiting to find out if a child or grandchild could be born in the future.

Additional areas of consideration include: Maryland's Power of Attorney Act, changes to Federal privacy laws, changes to laws regarding same-sex relationships, and the requirement that certain professionals account for the privacy of their client's files within their estate plans.

I want you to please take away this: Today's estate planning is not a transaction, but a process. It should not be done once and then forgotten. As we all know, life involves changes and uncertainties: Assets change, family circumstances change, and, of course, laws change. I urge you, please take the time to schedule an appointment with us (preferably before the end of the year) so we can either get your estate planning started or simply review it for updates. And, as always, your friends and family are our friends and family. We will treat all referrals with the same "Superior Personal Service and Legal Excellence" that we hope we've extended to you.

With Warmest Regards,


Gary Altman, Esq.

Rockville

One Central Plaza
11300 Rockville Pike
Suite 708
Rockville, MD 20852

Columbia

30 Corporate Center
10440 Little Patuxent Parkway
Suite 328
Columbia, MD 21044

301.468.3220 TEL

301.468.3255 FAX

www.altmanassociates.net

Top 100 Attorney

WORTH MAGAZINE

Best Estate Planner

WASHINGTONIAN MAGAZINE

MD/DC Super Lawyer

SUPER LAWYER MAGAZINE

Join us on:

