

ESTATE TAX CHANGES AND WHAT THEY MEAN FOR YOU

Year end Congressional Agreement brought favorable tax treatment for estate plans. Estates in Michigan are taxed only at levels in excess of \$5,000,000 for individuals and \$10,000,000 for married couples commencing in 2010; the levels are extended through 2012. Congress will have to review and act again in two years. In the meantime, you should take certain steps to make sure:

- you leave your assets in accordance with a plan;
- review the plan to make sure the language in the trust is meeting your family's needs;
- designations on life insurance and retirement plans are in accordance with your wishes and intentions.

While many states have an inheritance or estate tax, Michigan does not have an estate or death tax. For many families, tax planning will not be the reason to prepare and update the estate plan; but other equally significant and personal reasons are enough to require you to prepare and/or review your estate plan.

Why do you need an estate plan if the estates are taxed only for estates in excess of \$5,000,000? All that you own at your death is included in calculating the value of your estate. Even if your IRA, retirement plan and life insurance designates beneficiaries, if you are the owner of the life insurance policy, retirement plan or account, the amounts are included in your estate for calculating the estate value. These amounts, when added to the value of an ongoing business interest, primary and/or secondary home, stock portfolio, can surprisingly add up.

You may leave all of your assets to your spouse, without any tax incurred at your death. Today, if your estate is valued at under \$5 million, then upon your death your assets may be designated for your loved ones without incurring any additional tax. But, you want to be sure that your estate is distributed to loved ones who have the capacity to manage the assets.

If you have a Trust Agreement, confirm that the trust is funded and funded accurately. Review whether your ownership in your business should be titled in the name of the Trust; and if your home is properly titled in the Trust. Confirm that the stock portfolio, certificates of deposit, and savings account are correctly titled, too.

If you have dependents or loved ones for whom you intend to provide at your death, consider if any assets to be distributed to them should be protected or carefully distributed. If so, then the trust should be reviewed and amended.

If your trust creates a marital trust and a family trust, to shelter the amount exempt from taxation, you will want to review the provisions to confirm that the language adequately describes the needs between the trusts.

An estate plan is prepared for many reasons - not just tax planning. Reviewing and updating your estate plan is an important exercise every 5-7 years as well as at times of significant changes in your life or in the law.

RANDALL LEVINE OBTAINS LARGE LIABILITY AWARD

Randall Levine successfully mediated a personal injury case with co-counsel Ed Dougherty from Kansas City, Missouri. Plaintiff, a long distance truck driver was hauling produce on a delivery to Missouri. He was struck by a moving vehicle as he walked from his truck towards the yard office at the delivery center. The defense claimed that the plaintiff had lost his balance and fallen sustaining his injuries before impact. Messrs. Levine and Dougherty were able to cast doubt upon the defense theory and the case was successfully mediated. Plaintiff received \$950,000 for the injuries sustained in the incident.

TASE MARKOU WINS FEDERAL SENTENCING APPEAL



Attorney Markou has successfully advocated that the sentence of his client imposed by the Federal Court in Kalamazoo be reduced. In the case United States v LaFerriere, the Sixth Circuit Court of Appeals determined that the Federal District Court Judge sitting in Kalamazoo erred when he calculated the amount of time that Mr. Markou's client was required to serve in prison according to sentencing guidelines. This victory will reduce this man's prison sentence by more than ten years. The unpublished opinion is available at www.ca6.uscourts.gov/opinions.pdf/10a0653n-06.pdf.

Congratulations to Mr. Markou for excellent appellate advocacy in the case.

LEVINE & LEVINE NEWS

Sharan Levine named President of the Board of Crescendo Academy of Music

Crescendo Academy of Music is the only non-profit music school in Kalamazoo, Michigan, serving over 400 students ranging in age from infants to elders. The instructors teach on more than 15 instruments and voice. Crescendo is also "home" to the Kalamazoo Mandolin and Guitar Orchestra and to Aspire Ensemble a vocal group; both ensembles routinely perform in Southwest Michigan. Crescendo Academy of Music is licensed to teach the nationally renowned program Music Together®, a program for infants and toddlers. Levine says, "Music is an integral part of human culture and society. Learning to play an instrument is essential to a fulfilling life. I am delighted to contribute to an organization that does so much to reach out to the community and to foster musical enjoyment for all persons regardless of age and ability." The President's term is two years.



Randall Levine Named Super Lawyer Again



Randall Levine was named for a fourth consecutive year, as a Michigan Super Lawyer in the area of criminal defense. Selection of Michigan Super Lawyers is a thorough, multi-phase process that involves peer nominations and evaluations, a blue ribbon panel review and independent research of candidates. Each candidate is evaluated on 12 indicators of peer recognition and professional achievements. Only five percent of the attorneys in the state are named to the list.

Sharan Levine Recognized for Volunteer Hours

Sharan Levine was recognized for her time and commitment to serve as a volunteer mediator for the Dispute Resolution Services of Gryphon Place. Barry Burnside, Program Coordinator, thanked Levine among two other lawyer mediators for their help in mediating community disputes. "These mediators have been particularly adept at using their knowledge of the law in a way that assists disputants without stepping outside of the role as neutrals. But we've also seen them work with people at the level of just one human being to another, expressing great sensitivity and empathy to folks locked in struggle--and with great success." Sharan Levine is a certified mediator offering her expertise in a wide range of issues including business, probate, real property, employment and civil rights matters.

This newsletter is provided for informational purposes and should not be acted upon without professional advice.