

2013

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2013

Happy New Year

I wanted to take this opportunity to wish all of you a Happy New Year and welcome in 2013. It is hard to believe that Mary and I just celebrated 11 years here together at the office. What is equally amazing is that in March 2013, I will celebrate the 15th year of my radio show, "Your Estate Matters" with Lori Moore on AM 590 WKZO, (also simulcast on FM 96.5). We are also excited to launch our new website. There are wonderful articles on various Estate Planning topics for you and your family as well as an endless number of Blog posts on Estate Planning topics. The Blog posts are typically a brief overview of my radio show with Lori Moore and can provide answers to many of your questions or those of your family. We hope that you enjoy receiving this newsletter and we welcome any suggestions on future articles or topics that may be of interest to you.

Annual Newsletters

For those of you who are looking at the newsletter on our website, our newsletter is typically posted by the end of January. However, our email notification comes to you throughout the months of February and March due to the number of clients that we must contact. We will continue to provide this email notice as a courtesy to our clients and we hope that you share this newsletter with your family members, successor Trustees and/or anyone that may be involved in your estate as it provides valuable information to them and it also connects them to our office.

If you are receiving this newsletter in a paper format, you are most likely receiving it in the spring. We have determined in the past that many of our clients who receive paper newsletters tend to be snowbirds and we found that mailing newsletters during these winter months resulted in many of them being returned. Therefore, for those clients who are receiving paper newsletters (due to the fact that they do not have a computer or an active email address), your newsletter will not be sent to you until May of each year. If you are receiving this paper newsletter and have an email address that has not been provided to us, please contact our office and we will update your file.

Free Consultation

Over the last 15 years my office has provided a free initial consultation to individuals who need to set up their estate plan and have not done so in the past. Much of our business comes from new client referrals. Due to a recent misunderstanding, I felt that it was important that I explain what does not qualify for a free initial consultation: existing clients who are amending their

estate plan, new clients that have an estate plan that was prepared by another attorney and need a review or assistance with funding of a trust, medicaid planning and probate administration. We appreciate your referrals to our office and we want to continue to take care of you and the individuals that you refer to us.

Document Retention

In recent years we have met with several successor administrators, Trustees and/or Personal Representatives who have had to deal with the process of cleaning out a parent's home at the time of death. Many of these family members have kept years and years of documentation. The following is a document retention guideline to help you simplify the sorting process for your administrator.

- 1. Auto records.** Keep these as long as you own the vehicle and then hold on to any sales transactions for six years after the car is sold or traded.
- 2. Insurance policies.** Keep all insurance policies while active and once you receive the updated policy, you can shred the old one.
- 3. Warranties and Contracts.** While the warranties and contracts are active, keep all copies, but as soon as the contracts expire they can be tossed.
- 4. Paid bills.** After you receive a cancelled check, a credit or bank statement, most monthly bills and receipts can be shred.
- 5. Paychecks stubs.** One year is the average time frame. Once you have received your W-2 and verify that the amount is correct, these stubs can be tossed.
- 6. Quarterly investment statements.** Keep for one year. After you confirm that your annual statement accurately reflects your quarterly reports, you can shred all previous quarterly reports.
- 7. Credit Card and Bank statements.** Hold for seven years. These can serve as proof if you file an insurance claim and as back up for tax documentation.
- 8. Receipts/documents for tax deductible purchases.** Hold these indefinitely. The IRS can go back at least three years for good faith errors or indefinitely if they believe you have under reported your income by more than 25%.
- 9. Tax returns.** These can be held indefinitely as they are a useful reference for checking income or medical claims for a particular year, but for purposes of IRS audits and tax returns, supporting documentation only needs to be held for seven years.
- 10. Home related records.** Home related records should be held during the time that you own the home as it relates to all closings, deeds, and home

improvement expenses. After the sale of the home, you should hold any record of the sale for up to five years.

11. Annual investment statements. You should hold these indefinitely. You need to retain these until you sell the securities as they will show your cost basis or any transactions during the course of your ownership.

Tax update - 2013

Please click on the link below for our tax law newsletter for information on the New Tax Laws Effective in 2013. This newsletter will address changes to the gift tax, the unified credit, generation skipping transfer tax exemptions and IRA distributions to charities. If you have additional questions or require more in depth information, please contact your CPA.

[New Tax Laws Effective in 2013](#)

Durable Powers of Attorney

As of October 1, 2012, the State of Michigan adopted a new statute regarding financial Powers of Attorney. The new law pertains only to Powers of Attorney that are executed after October 1, 2012. Any financial Powers of Attorney that were signed prior to the October 1, 2012 date are not affected by this new legislation. Basically, the new law provides that any financial Powers of Attorney that were signed after the October 1, 2012 date require that the agent and/or agents accept the job of agent under the Power of Attorney.

Having said that, we feel that it is equally important that every client of ours who has executed a Power of Attorney have access to this acceptance form, regardless of the date of your Power of Attorney. The acceptance form basically identifies the restrictions and the duties of the agent. It is a beneficial form for all of our clients to have and it is a great opportunity for you to review your Power of Attorney with your agent to ensure that the agents understand their role. This would also be a good time to provide a copy of the Durable Power of Attorney to your agent if you have not done so already. [A copy of the form can be downloaded here.](#) If you do not have internet access, forms are available at the office and you are welcome to stop by and pick one up.

A Change In Circumstances

Have any of these happened to you recently: a birth, a death, a change of employment, an inheritance, a change in medical condition, a change in family relationships, marriage, divorce, a change of address for you, your children, your successor Trustee, your Personal Representative, your medical advocates or your agents? Have you opened or closed bank accounts, changed advisors or sold your home? If any of these have occurred, it may be important for you to update your estate plan or provide us with updated information.

Email Addresses

As with anything else, your email address is important to us. If your email address changes, please contact our office. Keeping your email up to date with our office will keep things current in our file and we will be able to keep you advised of any updates and/or seminars throughout the year. If you had previously advised us that you do not use an email address, but have since obtained one, we would appreciate it if you would contact our office and provide that to my assistant Mary at 269-276-0055. You can also email me at danielle@rsylawoffice.com or Mary at mary@rsylawoffice.com. If you do not own a computer, we honor that choice and we will continue to send your newsletter via regular mail.

Office Fax

Please note, our office is no longer actively utilizing a fax machine or receiving faxes. However, if there is something that you must to fax our office, please call ahead and we can make arrangements to receive the faxed information.

Our office continues to offer the following legal services:

- ▲ Chapter 7 & 13 Bankruptcy ▲ Drunk Driving
- ▲ Criminal Law ▲ Minor in Possession
- ▲ Social Security Disability ▲ Workers Compensation

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