



## Estate Planning—Terms You Need to Know

For the average person, estate planning is somewhat mysterious, if not downright intimidating. This really should not be surprising considering the fact that estate planning effectively has its own language that is full of legal terminology. To take some of the mystery out of estate planning, the estate planning attorneys at Nash, Nash, Bean & Ford, LLP have created a list of estate planning terms you need to know.

- **Administrator** -- Person named by the court to represent a probate estate when there is no will or the will did not name an executor. Female is administratrix. Also called personal representative.
- **Annual Exclusion** -- Amount you can give someone each year without having to file a gift tax return or pay a gift tax. Currently \$15,000 per recipient (\$30,000 if married). The amount of tax-free gifts is tied to inflation and may increase from time to time.
- **Beneficiary** -- A person who will receive the benefit of property from an estate or trust through the right to receive a bequest or to receive income or trust principal over a period of time.
- **Conservatorship** -- A court-controlled program for persons who are unable to manage their own affairs due to mental or physical incapacity. May also be called a guardianship.
- **Durable Power of Attorney** -- A legal document that lets you give someone else the authority to make health care or financial decisions for you in the event you are unable to make them for yourself.
- **Estate** -- Assets and debts left by an individual at death.
- **Guardian** -- An individual or bank or trust company appointed by a court to act for a minor or incapacitated person (the "ward").
- **Living Trust** -- A written legal document that creates an entity to which you transfer ownership of your assets. Avoids probate at death and court control of assets at incapacity. A trust created during one's lifetime.
- **Living Will** -- A written document that states you do not wish to be kept alive by artificial means when the illness or injury is terminal.
- **Marital Deduction** -- A deduction on the federal estate tax return that lets the first spouse to die leave an unlimited amount of assets to the surviving spouse free of estate taxes.
- **Medicaid** -- A federally-funded health care program for the poor and minor children.
- **Medicare** -- A federally-funded health care program, primarily for Americans over age 65 who are covered by Social Security or Railroad Retirement benefits.
- **Probate** -- The legal process of validating a will, paying debts, and distributing assets after death.
- **Trustee** -- Person or institution who manages and distributes another's assets according to the instructions in the trust document.
- **Will** -- A written document with instructions for disposing of assets after death. A will can only be enforced through the probate court.



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## Tips for Reducing the Likelihood of a Dispute over Your Estate



Your estate plan is your opportunity to put down in writing what you wish to happen to your estate assets after you are gone. For most people, one of the strongest motivations for having an estate plan in place is to ensure that those wishes are honored. Unfortunately, the law does allow certain people to challenge the Last Will and Testament that you execute. Because a Will contest is only initiated after your death, you cannot defend your Will if one is filed. You can, however, take steps now to reduce the likelihood of a dispute. The probate attorneys at Nash, Nash, Bean & Ford, LLP offer tips to help prevent a dispute over your estate.

### What Is Probate?

The estate you leave behind after your death will consist of everything you owned, or in which you had an ownership interest, at the time of your death. Ultimately, all of those estate assets need to be transferred to the intended beneficiaries and/or legal heirs of the estate. Before that can happen, however, your estate must go through the legal process known as probate. During probate, your estate assets are identified, secured, and valued. Creditors are notified and valid claims paid, including any taxes owed to Uncle Sam. Probate is also when any challenges to the validity of your Last Will and Testament will be litigated.

### Preventing Disputes – How Planning Now Can Pay Off Later

When disputes erupt during the probate of an estate, it typically increased both the cost of probating the estate and the length of time required to conclude the probate process. Consequently, a dispute could mean a decrease in the value of the estate passed down to your loved ones and a much longer wait before they receive the assets that are passed down. To prevent such unwanted results, the following tips may help reduce the likelihood of a dispute during the probate of your estate:

- **Work with an experienced estate planning attorney.** It may seem like using fill-in-the-blank online estate planning forms is a good way to save money; however, in the long run the DIY route dramatically increases the likelihood of litigation when it comes time to probate your estate. Generic DIY forms are often out of date, lacking in instructions, fail to completely distribute your estate, and do not take into account state specific requirements. Working with an experienced estate planning attorney ensures that everything is done correctly and offers the best defense against disputes.
- **Take the time to consider your choice of Executor.** All too often the creator of the Will, known as the Testator, appoints a spouse, family member, or close friend as Executor without stopping to think if that person is really the best person for the job. The wrong Executor encourages challenges whereas the right Executor will deter those same challenges. Choose someone who will be able to handle the job while still grieving and who has some legal experience, if possible.
- **Consider including a no-contest clause in your Will.** A no-contest clause effectively penalizes a beneficiary for contesting your Will. For a no-contest clause to be effective the beneficiary must be awarded something in your Will that he/she stands to lose by pursuing a Will contest.
- **Use a Letter of Instruction to explain controversial decisions.** You have an absolute right to distribute your estate anyway you see fit; however, if you completely disinherit a child or give your entire estate to charity, for example, you can almost count on challenges by loved ones as they have nothing to lose. If you know that decisions you made in your Will are likely to be unpopular or raise questions, explain those choices. You can do this prior to your death by sitting down and talking directly to your loved ones or you can write a letter or letters explaining your reasons why you made your choices and include it with your Will. This letter can be extremely beneficial if litigation is brought after your death.
- **Help your Executor prove your testamentary capacity.** Contrary to popular belief, a Will contest cannot be founded on an heir being unhappy about his/her inheritance (or lack thereof). To contest a file a contestant must allege (and ultimately prove to be successful) that the Will is legally invalid. The most common grounds on which a Will can be challenged are to claim that the Testator lacked testamentary capacity or to claim undue influence. To discourage these claims, have a full mental examination conducted by a geriatric psychiatrist or other qualified medical professional done shortly before or after executing your Will. Meet with your estate planning lawyer, by yourself, to discuss your wishes. Execute your Will in front of your attorney and at least two disinterested witnesses. In some circumstances, it is a good idea to meet with a second estate planning attorney to have him review your Will, discuss your wishes with you, and prepare a written statement regarding your state of mind.

# Nash Nash Bean & Ford Happenings

## News from the NNBF Family



### Graduations!

- Dawn's daughter, Hope, graduated from Illinois State University, Cum Laude.
- Dawn's daughter, Jessie graduated from Geneseo High School and plans to attend Illinois State University.
- Jackie's son, Brandon, graduated from Western Illinois University.

### Family Fun!

- Curt's son, Ryan was chosen as the co-executive director of Iowa State University Dance Marathon- Iowa State University Dance Marathon is the largest Student Philanthropy organization at Iowa State. It annually raises money for the Stead Family Children's Hospital. Last year the Marathon raised nearly \$400,000 to benefit the hospital. Ryan is in charge of the executive team and organization involving hundreds of students working to support the Children's hospital and the families it serves.

## CONTINUING LEGAL EDUCATION

### For Team NNBF

As a part of their Membership in the American Academy of Estate Planning Attorneys (AAEPA), all of our attorneys are required to complete 36 hours of continuing legal education.

- **Jim Nash, Mary Ann Brown and Ben Young** attended the live teleconference for The New "Moderately Wealthy": Planning for Clients with Net Worth Under \$11 Million provided by Cannon at First Midwest Bank.
- **Jim Nash, Mary Ann Brown and Ben Young** attended the Identifying Landmines and Minimizing Battle Scars in Conflicts Between Trustees and Beneficiaries provided by Cannon at First Midwest Bank.
- **Jim Nash, Bob Nash, Mary Ann Brown and Ben Young** participated in the two-day, 62nd Annual Estate Planning Short Course provided by the Illinois Institute for Legal Education.
- **Bob Nash and Ben Young** participated in The Rules of Professional Conduct: How They Apply to Estate Planning and Estate/Trust Administration provided by the Illinois State Bar Association.
- **Curt Ford** attended the American Academy of Estate Planning Attorneys' Spring Summit in Atlanta, GA and participated in The Past Year's Most Significant, Curious, or Downright Fascinating Fiduciary Cases; Tax Law Updates; Outdated Estate Plans: What Do You Do When Circumstances and Laws Change, But the Plan Didn't Keep Up; A Deep Dive Into Charitable Giving after the TCJA; and IRA Planning.

## Recipe of the Month

### Creamy Chicken Quinoa and Broccoli Casserole

By Laura Bergren

- 2 tablespoons olive oil
- 2 tablespoons flour
- 1 cup milk
- 1 cup reduced sodium chicken broth
- 1/2 teaspoon salt
- 1/2 teaspoon poultry seasoning
- Dash of paprika
- Dash of cayenne
- 2 (1 pound) boneless skinless chicken breasts, cut into 1/2 inch pieces
- 1 cup uncooked quinoa, rinsed
- 1/2 cup cooked crumbled bacon
- 3 cups fresh broccoli florets
- 1 cup shredded Gruyère cheese

### Preparation:

1. Preheat the oven to 400°F, grease a square baking dish with olive oil.
2. In a medium-sized skillet, heat oil, then whisk in flour. Continue whisking until mixture bubbles and toasts to a golden-brown color.
3. Whisk in milk and chicken broth. Continue cooking and whisking until sauce becomes foamy and creamy. Add salt (optional), then turn off heat and set aside.
4. Combine salt, poultry seasoning, paprika, and cayenne together, then sprinkle it all over chicken breasts on butcher paper or a bowl. Set aside.
5. Into the prepared casserole dish, combine rinsed quinoa (don't forget to rinse it or else it will turn out bitter!), milky sauce from step two, and bacon. Lay the chicken breasts over the top of the quinoa mixture.
6. Bake uncovered for 45 minutes or until quinoa fully absorbs the liquid.
7. While the casserole is in the oven, place the broccoli in salted boiling water for 1 minute until it turns bright green, and then strain it out in a fine mesh sieve. Run the broccoli under cold water until it's fully cooled or place the sieve in a large bowl of ice water. Shake off excess water, and set aside.
8. Remove the casserole from the oven. When the quinoa and chicken are cooked and the sauce is thickened, add the broccoli on top followed by the cheese. Bake for 5 minutes, then set on broil and continue to cook until cheese becomes golden brown on the exterior.

## Please Note Our New Summer Hours:

### Geneseo Office:

Monday—Thursday  
9:00 a.m. to 4:30 p.m.

Friday 9:00 a.m. to Noon

### Moline Office:

Monday—Thursday  
9:00 a.m. to 4:30 p.m.

Friday CLOSED

These hours will be in effect  
until August 30, 2019.

## Contact Us

Give us a call for more information about estate planning services.

### **Nash Nash Bean & Ford, LLP**

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Visit us on the web at  
[www.nashbeanford.com](http://www.nashbeanford.com)

If your address or phone number has changed, please call our office to update your contact information.

### New Email Address?

If you recently had to change your email address due to a provider discontinuing service, please let us know so you continue to receive email from us.

### Referrals

If you have friends or family members who could benefit from the estate planning process, please refer them to our firm. Don't worry, we won't bother them. We will simply send them an invitation to one of our estate planning seminars. If you would like to refer a friend or family member, fill out the enclosed referral card and return it to our office or email their contact information to [info@nashbeanford.com](mailto:info@nashbeanford.com).

## Summer Fun Fact!

Frank Epperson was eleven years old when he accidentally invented the popsicle in 1905! Frank had filled a cup with water, soda powder, and a stick to stir the mix and left it out overnight on his porch. The temperatures were cold enough to freeze his drink overnight and when Mr. Epperson awoke the next morning, he found the summer snack that was popularized for decades to come.



He began selling them commercially in 1923, first called "Epsicle" which was later changed to "Pop's 'sicle," as dubbed by his children.

## Student Discount for Estate Planning

Nash Nash Bean & Ford has a Back-to-School Student Legal Packet to offer for your child or grandchild of legal age! The legal documents in this customized package include:

**Property Power of Attorney**— Authorizes someone to manage your property if you become incapacitated.

**Health Care Power of Attorney**— Authorizes someone to make health care decisions if you become incapacitated.

**Living Will**— Authorizes termination of life support systems if there is a terminal illness.

**Health Care Portability and Accountability Act (HIPAA) Form**— Provides release of medical information to people you select.

Contact our office at 309-944-2188 or 309-762-9368 to schedule an appointment.

## Speaker Connection

Does your organization need a speaker? We regularly work with professional organizations, churches, non-profit organizations, clubs, and other groups to educate their clients and members on the principles of Estate, Tax, and Business Planning as well as immediate and long-term charitable giving options. We also speak to senior citizen organizations, assisted-living facilities, and elder organizations on topics such as Medicare planning, care giving, and retirement planning.

Please call our office at 309-944-2188, 309-762-9368 or 800-644-5345 to arrange for a speaker at your next meeting.