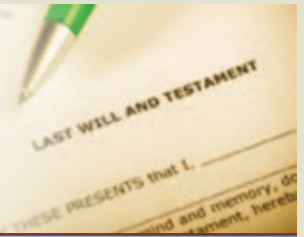




Law Offices

VASILIADIS & ASSOCIATES

Elder Law Solutions For Pennsylvania Seniors



Elder Law ALERT

Volume III – Number 1 – January - March 2011

What Does the New Estate Tax Mean for You?

The 2010 Tax Relief Act, enacted December 17, 2010, provides good news and bad news concerning the federal estate (“Death”) tax. First the good news: The tax does not apply for those dying with \$5 million or less. The bad news: The \$5 million exemption is only temporary. It applies to those dying in 2011 and 2012. Beginning January 1, 2013, which is less than two years away, the exemption drops down to \$1 million dollars and the tax rate jumps up to 55%. Bear in mind that this levy applies to virtually all assets of the decedent. This includes life insurance death benefits, annuities, jointly-owned property, investments held by qualified retirement plans, and, of course, all probate property (assets that pass in accordance with one’s will). The return to lower exemption and higher rate was scheduled to take effect on January 1 of this year. The new law simply postponed for two years what will amount to a massive tax increase that, for some, will be confiscatory. Tax considerations aside, there are many non-tax reasons to plan your estate, as discussed below.

Non-Tax Reasons to Plan Your Estate

- To choose who will benefit from your estate, rather than defaulting to the government’s plan to distribute your assets.
- To avoid disputes among family members.
- To provide for an orderly process of settling your estate.
- To protect your children and grandchildren in the event of divorce, lawsuit, or premature death—to make sure what you leave behind stays in the family.
- To provide long-term tax deferral of retirement assets.
- To provide for your own care and well-being and management of your assets in the event of incapacity.
- To protect your assets in the event you need long-term care or are sued.
- To provide for children and others with special needs in a way that will protect your estate from poor management decisions and allow your heirs to continue to qualify for public benefits.
- To benefit charities you value.

As you can see, estate planning involves a lot more than tax issues. We can help with these and other related concerns.

Elder Law Advisor –

Question: Will my kids be liable for the cost of my nursing home care if I go broke?

Answer: No, provided you qualify for Medicaid benefits immediately after your funds exhaust. That won’t happen if (1) you engage in an improper pattern of gifting; or (2) your agent under power of attorney or other family representative fails to timely and properly file your Medicaid application. In Pennsylvania, under the so-called “filial responsibility” law, children who knowingly or even unintentionally violate Medicaid requirements can and have been held liable for the cost of a parent’s nursing home care.

FIRM NEWS

Vasiliadis & Associates provides free educational seminars for consumers and estate planners. The next such program, “Quality Nursing Home Care Without Going Broke”, will be presented in May. Registration details will be posted on the firm’s website, www.elderlaw-penn.com.



Meet Our Legal Team:

We are easy to reach and ready to help

Phone: 610-694-9455 | Fax: 610-694-9829



STANLEY M. VASILIADIS is a Certified Elder Law Attorney (CELA) as accredited by the Pennsylvania Supreme Court. No other attorney in the Lehigh Valley has attained this distinction. His firm represents clients throughout eastern Pennsylvania, primarily in connection with long-term care planning, trust and estate administration, and estate planning.



Dionysios C. (Dennis) Pappas practices in the areas of Elder Law, Estate & Tax planning, Trust & Estate Administration, and Veterans' Pension Benefit planning. Mr. Pappas is an accredited attorney with the Department of Veterans Affairs. He is admitted to practice in Pennsylvania and New Jersey.

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The VASILIADIS DIFFERENCE

The field of elder law is constantly changing, so having the right legal team is absolutely critical. Vasiliadis & Associates is that team, the right team.

VASILIADIS & ASSOCIATES is a team of legal professionals dedicated to helping you achieve financial and personal goals related to aging, incapacity, and the transfer of wealth to the next generation. We represent clients throughout eastern Pennsylvania in the following areas:



- > **Long-term Care Planning:** structuring one's affairs so as to protect quality of life for oneself and for loved ones – physical and financial – in the event of chronic incapacity.
- > **Estate and Tax Planning:** structuring one's affairs so as to transfer wealth at death to desired beneficiaries in an orderly manner, at minimum cost while, at the same time, maintaining maximum control and enjoyment of one's assets during lifetime.
- > **Trust and Estate Administration:** assisting executors, trustees, guardians and agents under power of attorney in administering and distributing estates, trusts, guardianships and powers of attorney.
- > **Veterans' Benefits Planning:** assisting veterans and their spouses in qualifying for veterans' benefits to pay for care at home or in assisted living or skilled nursing facilities; advising allied professionals and corporate health care providers regarding veterans' benefits eligibility.
- > **Special Needs Planning:** assisting families of developmentally disabled persons and others with special needs in maximizing quality of life – physical and financial – for such persons. It emphasizes access to and preservation of public and private benefits for special needs persons without their forfeiting family resources.
- > **Nursing Home Litigation:** challenging, administratively and in court, denial and termination of public benefits; preventing nursing home discharge; quality of care advocacy on behalf of residents of nursing homes and assisted living facilities; seeking damages for wrongful death and serious injury to residents of nursing homes and assisted living facilities.

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