

# H H E P C

Hoosier Hills Estate Planning Council



**Vol. XIII, No. 3**

**Winter 2009**

## **Board of Directors**

### **Officers:**

*President*

Lance Like

*Vice President*

David Maschino

*Secretary*

Chris Molloy

*Treasurer*

Curtis Wilcox

*Past President*

Laura Hash

### **Committees:**

*Communications and*

*Public Relations*

Natalie Schabler

*Membership*

Jessica Merkel

*Continuing Education*

Mary Ann Nunn

*Newsletter*

James Bohrer

*Special Projects*

Nancy Murphy

*Program Facilities*

Wendy Hodina

*Program Speakers*

David Maschino

Malcolm Webb

## **President's Message by Lance Like**

**O**n behalf of the Board of Directors of the Hoosier Hills Estate Planning Council, I would like to wish you a Happy and Prosperous New Year! The Board is excited about 2009 and the programs we have in store for this year.

**Mark your calendars now for our next program scheduled for February 11, 2009 at the Hotel Indigo in Columbus, Indiana.** The details of this upcoming program are found inside this newsletter. I hope to see you there.

Also, as you know, the Board and others are busy planning our 2009 Estate Planning Day on April 29 at the Convention Center in Bloomington. It will be a full-day event with several break-out sessions in the morning followed by our keynote speaker, Chris Mercer. Mr. Mercer is an expert on business planning issues and his presentation should be valuable to all of our members. Our morning sessions will have several of our own members presenting on a number of different issues and these too should prove valuable not only for our own members, but members of the public as well. I encourage you to consider becoming a sponsor of this event as it will be a way for you to highlight your services to the members of the public that will attend this event. You should have received a packet from the sponsorship chair, John Hurlow. If you did not receive that information, or would like additional information about sponsorship opportunities, please contact John at 812-333-8744. Also, if you are interested in helping at the event in some manner please let me or any other Board member know as we will welcome any additional help in this endeavor.

Finally, I would like to encourage you to submit an article for publication in our newsletter. Our newsletter chairman, Jim Bohrer, has done a great job in providing useful and informative articles in the past. However, there is an opportunity for you to share your expertise with our members, help educate and teach us things that may be useful in our practice and which will help us better serve our clients. If you have an article or topic of interest please contact Jim and he can work with you to get the article published.

I look forward to seeing you at our February 11, 2009 meeting.

## **Table of Contents**

President's Message .....	page 1
February 11th Seminar Outline .....	page 2
Speaker Biography .....	page 2
Lassie and Garfield (article) .....	page 3
Seminar Registration .....	page 4



---

# Estate Planning Seminar Program

## Inheritance Tax

**Kristen Kemp, Inheritance Tax Administrator**  
Indiana Department of Revenue, Indianapolis, Indiana

- **Form Follies**
- **Return/Form Intro**
- **Schedules**
- **Remedies/Legal Process**
- **Errors, Changes, Arguments**

### Speaker Biography

#### **Kristen M. Kemp**

Kristen M. Kemp is the Inheritance Tax Administrator for the Indiana Department of State Revenue. She also serves as a deputy attorney general for the Office of the Indiana Attorney General. She received her B.A. in English and Sociology from the Indiana University/Purdue University at Indianapolis in Indianapolis, Indiana, and her J.D. from the Indiana University School of Law in Indianapolis. Ms. Kemp has lectured locally about inheritance tax as well as having published articles on this topic.

**Check out our website: [www.hhepc.org](http://www.hhepc.org).** It has a new look! Be sure to check out the Benefits button. There are some interesting webinar topics available to our members at a reduced price.

**A reminder from the Continuing Education Chair:** It is imperative that all folks attending CPE both sign in and sign out at the time of the class. Attendees will need their license number that day; and they will need to pick up a CPE certificate before they leave the seminar. Thanks everyone.

---

# Lassie and Garfield

## The Importance of Helping Clients Plan for Their Pets

By James F. Bohrer

**If you have seen** the recent movie *Marley & Me* or followed the letters to the editor in the *Herald Times* about the tragic fire at Delilah's Pet Store, you know firsthand that many people have very strong feelings about their pets. According to a 2007 Gallup Poll, 59% of Americans own at least one cat or dog. To those people, pets provide unconditional love and their owners consider them members of their families. A recent survey found that 67% of people regularly bed down with their cats and dogs. Since July 1, 2005, the Indiana legislature has recognized the importance of pets to Hoosiers by permitting pet owners to establish pet trusts.

Have you asked your clients recently during an intake or estate plan review about their pets? It deserves your attention because the bond between people and their pets is so strong and the money spent on pets is significant and not notably affected by downturns in the economy. Forcing the elderly to give up their 4-legged companions often makes moves to assisted living or nursing home facilities even more difficult. Proper estate planning can provide a care plan for pets in the event of death or temporary or permanent disability that leads to peace of mind and reduces the anxiety that many pet owners experience when they envision their pet living without them. People love to talk about their pets and it is usually not difficult to convince your pet-owning clients to provide an orderly plan for the care of their pets on their death or disability.

To make sure that pets are properly taken care of, consider the following:

1. A durable power of attorney that names a caregiver for the pet and authorizes the attorney in fact to expend funds for veterinary care, food and other necessities if the pet owner becomes ill or disabled.
2. A provision in the pet owner's Last Will and Testament that appoints a caretaker for the decedent's pets and provides resources for the pet's care. Because the provision is set out in the Will, the provision on behalf of the pet won't take effect until the pet owner's death, can be subject to legal disputes over the validity of the Will and can result in delays in making funds available to the caregiver because of the need to access the funds through the probate process. An outright gift to a caregiver would be taxed for inheritance tax purposes depleting the funds for the pet's care. There is no assurance that an outright gift to a caregiver will be used for the pet's care and maintenance after the death of the pet owner since the funds could be diverted by the designated caregiver, attached by the designated caregiver's creditors or the designated caregiver could die or become disabled. Upon the death or disability of the designated caregiver, the funds could come under the control of caregiver's heirs, beneficiaries, court-appointed guardian or others.
3. A Pet Trust nominates a caregiver to take custody and look after the pet, appoints a trustee to invest trust assets and obligates the trustee to pay the expenses of caring for the pet during the pet's lifetime. The trust may be established during the pet owner's lifetime or at death. The trustee would typically be authorized to pay trust funds for pet food, pet toys, veterinary care, boarding fees and emergency care. A stipend to the caregiver may also be paid from the trust. At the pet's death, the remaining trust assets are paid to a successor beneficiary designated by the grantor. Oftentimes the successor beneficiary is a charitable entity such as the Humane Society or an animal welfare fund at the local Community Foundation. The trust funds are protected from the claims of the caregiver's creditors including claims arising from the caregiver's failed marriages or bankruptcy. The grantor must be certain the sufficient funds will be available to fund the trust and compensate the trustee. Life insurance can provide an excellent source of funds to fund the trust at the death of the pet owner.

It is no longer sufficient that friends or family members informally promise to take care of a client's pets following their death or disability. Pets have become members of our clients' families. An effective estate plan should now provide for the pet's care upon the client's temporary or permanent disability and death and should further address how the pet's care will be funded.

---

**James F. Bohrer** is a partner with Mallor Clendening Grodner & Bohrer LLP and has been certified as a specialist in Estate Planning and Administration by the Indiana Estate Planning and Administration Specialty Certification Board.

# Estate Planning Seminar

Featuring **Kristen Kemp, Tax Inheritance Administrator**

**Indiana Department of Revenue**

**Date:** Wednesday, February 11, 2009

**Time:** 12:00 p.m. . 3:00 p.m.

**Place:** Hotel Indigo  
400 Brown St., Columbus, Indiana 47201

To register for the seminar, mail your check to Curtis Wilcox, Hurlow Wealth Management Group, Inc., 3925 Hagan St., Ste 300, Bloomington, Indiana 47401 or you may e-mail Kathleen McConahay at [kmconahay@yahoo.com](mailto:kmconahay@yahoo.com).

Registration Fee: **free** for Members -- **\$60.00** for Non-Members

*Please register by February 8, 2009*

## REGISTRATION INFORMATION

Please register me for the seminar on February 11, 2009.

Enclosed is a check in the amount of \$\_\_\_\_\_ payable to Hoosier Hills Estate Planning Council.

Name \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ e-mail \_\_\_\_\_



Hoosier Hills Estate Planning Council  
c/o Curtis Wilcox  
Hurlow Wealth Management Group, Inc.  
3925 Hagan St., Suite 300  
Bloomington, Indiana 47401

## Estate Planning Seminar

**Kristen Kemp**  
**February 11, 2009**  
Hotel Indigo  
Columbus, Indiana

Take advantage of our website  
[www.hhepc.org](http://www.hhepc.org)