

Team Tisser Foundation



Team Tisser Foundation (TTF) is a non-profit corporation founded by Doron M. Tisser and his wife Laurie. TTF raises money for various charitable purposes and does not focus on any one charity or charitable purpose. The goal is to raise as much money as possible to "Help Make A Difference" by "Improving Life for Others." TTF has made donations to Memorial Sloan-Kettering Cancer Center, Leukemia & Lymphoma Society, Challenged Athletes Foundation, as well as charities helping people affected by natural disasters such as Hurricane Katrina and the Tsunamis. Since 2000, TTF has donated almost \$175,000 to over 25 different charities. Friends and clients generally donate money to TTF to support Doron's participation in triathlons and marathons. If you would like more information about TTF, please contact Doron at doron@tisserlaw.com, or visit www.teamtisser.org

Quick Links

www.tisserlaw.com
www.teamtisser.org

About

Doron M. Tisser

Doron M. Tisser has specialized in estate and gift planning, tax planning, trust and probate administration, charitable giving, buy-sell agreements and related areas for over 27 years. Mr. Tisser is one of less than 100 attorneys in California who has been designated as both a Certified Specialist in Probate, Estate Planning and Trust Law, and as a Certified Specialist in Taxation Law by the State Bar of California Board of Legal Specialization. He was chosen by his peers as a Super Lawyer for 2009, 2010, and 2011 for Southern California, and enjoys an "a.v." rating by Martindale-Hubbell Law Directory, which is the highest possible rating and is based on ethical considerations and legal skills. Mr. Tisser has published over 65 articles and chapters in books on various estate and tax planning subjects and is a frequent speaker and lecturer at estate and tax planning seminars. Mr. Tisser competes in triathlons, including Ironman races, and raises money for charities through Team Tisser Foundation, a non-profit corporation he co-founded with his wife Laurie.



What's Happening

Each month, we place a special column on the left-side of the Tisser Law Group website, www.tisserlaw.com, which has interesting facts or stories. We invite you to view our web-site each month to see the latest addition. This month, we are discussing some of the more extreme uses of Wills ever made.

Doron M Tisser co-chaired his law school reunion, which was held in April 2011. The reunion was a tremendous success.

On a personal note, Doron M. Tisser is proud to announce that his son, Jeremy N. Tisser, has been accepted to USC's graduate program on Scoring for Motion Pictures and Television, for composing and producing music. The program only accepts 20 applicants each year. Hopefully you will be seeing Jeremy's name on the credits of movies in the coming years.

Doron M. Tisser will be competing in the Pasadena Half Marathon on Sunday, May 15, 2011 as part of his fund-raising efforts for Team Tisser Foundation. For more information on Team Tisser, see the column on the left side of this Newsletter.

If you would like to receive copies of the outlines used at our conference on The State of Estate Planning in March, please contact either Laura Stein, at laura@tisserlaw.com, or Amber McBride at amber@tisserlaw.com.

If you would like Doron M. Tisser to speak to your group or organization about the new estate tax laws, trust administration or other estate planning subjects, please contact Laura Stein at laura@tisserlaw.com or call Laura at (818)226-9125.

Team Tisser Foundation, our non-profit corporation, has a valuable offer for you. Team Tisser has made arrangements with Cycle World, in Northridge, California, to give friends of Team Tisser a special deal on bicycles and related items. If you make a purchase from Cycle World, you will receive a store credit of 10% of your purchase price on non-sale items to be used on your next purchase at the store. In addition, Cycle World will donate 10% of your total purchase price of non-sale items to Team Tisser. This is a win-win for you and Team Tisser. Go to www.teamtisser.org to find out more about this offer. Please tell all your friends about this offer and start shopping at Cycle World. Incidentally, Doron M. Tisser purchased his new triathlon bike at Cycle World and loves it.

DISCLAIMERS: THE FINAL CHANCE FOR PLANNING

Disclaimers are a little understood way of doing estate and tax planning after a person dies. Disclaimers can sometimes take the place of the planning the decedent could have done while living.

A disclaimer is a way of refusing to accept assets which are to be given to you as a result of a decedent's death. In effect, you would be saying "I do not want that particular asset". Instead, that asset would be distributed to whomever would have received those assets had you died before the decedent.

As an example, if John and Mary are married and have children, and John dies leaving everything to Mary, Mary could disclaim specific assets. The assets then would go to those people, presumably their children, who would have received the assets if Mary had died before John.

Why use Disclaimers?

So why would you want to do a disclaimer?

One of the benefits of disclaiming assets is to preserve the use of the amount the decedent could have left estate tax free. For example, assume that John and Mary are worth \$8 million and the maximum amount that each of John and Mary could leave estate tax free when he or she dies is \$5 million. If John dies without having prepared a Will or family trust, John's share of the assets (\$4 million) would pass to Mary. When Mary dies, Mary's estate would be worth \$8 million. If she can only leave \$5 million estate tax free, the children would have to pay estate tax on the remaining \$3 million. If, however, at John's death, Mary disclaims \$3 million of John's assets, those assets would pass to the children at the time of John's death with no estate tax. Mary's estate would then be \$5 million and there would be no estate taxes when Mary dies.

Another advantage of disclaiming assets is to avoid a future estate tax on the appreciation that will occur in the disclaimed assets. Again using our example above, if Mary makes a disclaimer of a specific asset that passes to the children and that asset increases in value before Mary's death, the increase in value will not be subject to estate tax at Mary's death because the children would own the asset.

The disclaimer can also be used to transfer assets to somebody that you want to make a gift to. For example, John and Mary want to make a gift of \$250,000 to their son, but John dies before the gift is made and all of John's assets would pass to Mary. If Mary accepts the assets and then makes the \$250,000 gift, it would reduce the amount she could leave estate tax free when she dies. If Mary makes a disclaimer of \$250,000 of John's share of the assets, however, the \$250,000 could pass to their son with no tax consequences and without reducing the amount Mary could leave estate tax free when she dies.

Formalities of Disclaimers

In order to make a valid disclaimer, the Internal Revenue Code requires that formalities be followed. For example, the disclaimer must be made within nine months of the death of the person who is leaving you assets and the disclaimer must be in writing. In addition, the beneficiary must NOT receive, after the decedent's death, the benefit of the assets to be disclaimed. Using our example above, if Mary wants to disclaim a bank account when John dies, she cannot use the interest earned in that account after John's death; this would be treated as receiving the benefit of the bank account. Therefore, any assets that may be disclaimed should be segregated and the income of those assets should be allowed to accumulate.

No assets of a person who has died should be used or collected, nor should the name on any accounts be changed, until a decision has been made about disclaimers. Specifically, LIFE INSURANCE PROCEEDS AND IRA OR RETIREMENT BENEFITS SHOULD NOT BE COLLECTED OR APPLIED FOR UNTIL A DECISION HAS BEEN REACHED ABOUT WHETHER A DISCLAIMER SHOULD BE MADE.

Because disclaimers must be considered right away when a person dies, you should immediately contact your estate attorney when a person dies. Please contact us if you have any questions about disclaimers.

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