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UPCOMING SEMINARS

New Tax Law Seminars

For the public and our existing clients who want to learn more about the impact of the new American Taxpayer "Relief" Act and how to avoid it!

Tuesday, Jan. 22nd
10am to 12pm
Torrance DoubleTree

Happy New Year from Your Congress...

The American Taxpayer "Relief" Act!

By Philip Kavesh, President

Here's a special breaking news bulletin, in place of my regularly scheduled Christmas vacation travelogue.

The President, the Congress and the Press have thrown the wool over our eyes (and ears) once again!

We've all heard how new income tax increases will only affect the "wealthy" (those with income over \$400,000).

Not exactly!

We've also heard how the estate tax exemption (the amount you can pass tax-free) has been "permanently" set at \$5 million and only very large estates will need to be concerned about the "Death Tax" any more. *Not exactly!*

I've read the actual text of the "Relief" Act and, with the help of several other tax authorities, have analyzed it thoroughly.

Here's what I have found...

There are a lot of "Sneaky" Income Tax Increases

While it's true that the top tax rate is going up to 39.6% for single people with taxable income over \$400,000 and married

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Friday, Jan. 25th
10am to 12pm
Torrance Marriott
Light Refreshments

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Living Trust Seminars

For the public and also for our existing clients who want to bring family or friends!

Thursday, Jan. 17th
9am to 11:30am
Torrance Marriott
Free Breakfast

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Saturday, Jan. 26th
9am to 11:30am
Torrance Marriott
Free Breakfast

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This is a sample of our monthly e-mail newsletter. To sign up to receive our newsletter, go to www.kaveshlaw.com or call 1-800-756-5596.



Client Review Seminar

This is a seminar for our existing clients who have not been in for their free 3-year review meeting, so they may hear about all of the changes in laws, planning technology and services that we now offer.

couples over \$450,000, if your income is lower, you too may be subject to a tax increase due to:

- The phaseout of itemized deductions
- The phaseout of personal exemptions
- The new Medicare Surtax of 3.8% on investment income!

These are just the tax increases on your "ordinary income". If you haven't heard, the top rate of "capital gains" tax (when you sell appreciated real estate or stock) has also jumped - - by one-third!

And these new tax increases may hit you *in addition to* the previous, overlooked special tax on your Social Security (if you have the wrong kind of income), as well as Uncle Jerry's new State of California tax increases!

Estate Taxes Haven't Gone Away for Good, Either

The exemption amount (the amount you can pass tax-free) will go up, from \$5.12 million to \$5.25 million, and is now allegedly "permanent". But, that only means until the President and Congress change the law again. And knowledgeable insiders say this exemption will likely be a bargaining chip in the next two "cliff" negotiations coming soon - - over the debt ceiling and the automatic "sequestration" spending cuts. In other words, this \$5.25 million exemption may yet fall - - or the President and Congress may instead close certain estate tax planning "loopholes" (legitimate strategies we've used for years) so your family will in fact pay more tax but it won't be called a "tax increase"!

You Need to Take Action NOW If You Want to Avoid or Reduce These Tax Increases!

All this new tax stuff is really complicated when you get below the surface and beyond the hype in the Press. Unfortunately, I don't have enough space to go over it all here, so I'm preparing a special seminar presentation - - in plain-English (or as best as I can translate this tax gobbledeegook for you). I urge you to attend one of the dates below.

Tuesday, January 22, 2013

Tuesday, Jan. 22nd
6:30pm to 8:30pm
Main Torrance Office
Light Refreshments

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To reserve your seat at one of our seminars, simply click the "REGISTER" link under the event you wish to attend or you may also call us at 1-800-756-5596 or [e-mail us](#).

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10am to 12pm (Check in at 9:45am)
Torrance DoubleTree Hotel
21333 Hawthorne Blvd.,
Torrance, California 90503
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OR

Friday, January 25, 2013
10am to 12pm (Check in at 9:45am)
Torrance Marriott Hotel
3635 Fashion Way,
Torrance, California 90503
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At this seminar, I'll not only discuss how these new tax increases work, but how to avoid them!

Bring Your Family and Friends

The information in this new seminar is not only timely - - it needs to be acted upon *right away* if you are to maximize your tax savings. So be sure to bring anyone you know who may also benefit from this important presentation!

I hope to see you there...and help you keep the government's hands out of your pocket!

Young Adults Need Estate Planning, Too



Most young adults think they are invincible. But the reality is that anyone, at any time, can become seriously ill or be injured in an accident or a random act

of violence. And far too many of us know the tragedy of a promising young life that was abruptly cut short.

Once a child turns 18, parents lose the legal ability to make decisions for their child or even to find out basic information. Learning you will not be able to see your college student's

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grades without his or her permission can be mildly frustrating. But a medical emergency can take this frustration to a completely different level. The parents (or a sibling or another person) will probably have to go to court and ask for permission to obtain information about the student's medical condition, be able to make decisions about treatment, and have access to the student's financial records and accounts.

The following legal documents, prepared by an estate planning attorney, allow the young adult to name another person to make medical and financial decisions for him or her if he or she is unable to make them for themselves. The person(s) selected should be someone they know and trust. These documents are not expensive, and everyone over the age of 18 should have them.

Parents should consider scheduling a visit with their estate planning attorney after each child's 18th birthday, and encourage other parents to do the same with their young adults. Having these documents in place does not mean anyone expects to use them, but everyone will be glad to have them should they be needed.

In the Event of Incapacity

- *An Advance Health Care Directive* gives another person legal authority to make health care decisions (including life and death decisions for the young adult) if he or she is unable to make them.
- *A Durable Power of Attorney for Property* gives another person legal authority to manage the young adult's assets without court interference. (A "regular" power of attorney ends at incapacity; a "durable" power of attorney remains valid through incapacity.) Your attorney can write it in such a way that it does not go into effect until the young adult becomes incapacitated.
- *HIPAA Authorizations* give the young adult's doctors permission to discuss his or her medical situation with others, including family members and other loved ones.
- *A Health Document Emergency Card* permits health care providers immediate access to the Advance Health Care Directive and HIPAA Authorization in the event of an emergency.

In the Event of Death

Most young adults do not have substantial assets, so a simple Will is probably all that is needed at this time. It will let the

young adult designate who should receive his or her assets and belongings in the event of death. Otherwise, the laws of the state in which the young adult lives will determine this, and that may not be what anyone would want.

After the Documents Have Been Signed

A little housecleaning may be in order. It is important that the designated person knows where to find financial records and passwords if needed. The young adult may want to tidy up his or her computer's desktop! Plus, make a list of accounts and passwords (including the computer's password), print the list and put it in a safe place; a hard copy is important in case the computer is lost or stolen. If he or she uses an online back-up system, be sure to include it. Don't forget online accounts and social media. If there is anything he or she doesn't want someone (think, parents) to see, either get rid of it now or ask a friend to delete files or remove things if something happens to them. Finally, update these documents as life changes, such as marriage or children.

If you are a young adult or you have young adult children, contact us today at 1-800-756-5596 to find out more about getting these important estate planning documents prepared.

Source: EstatePlanning.com

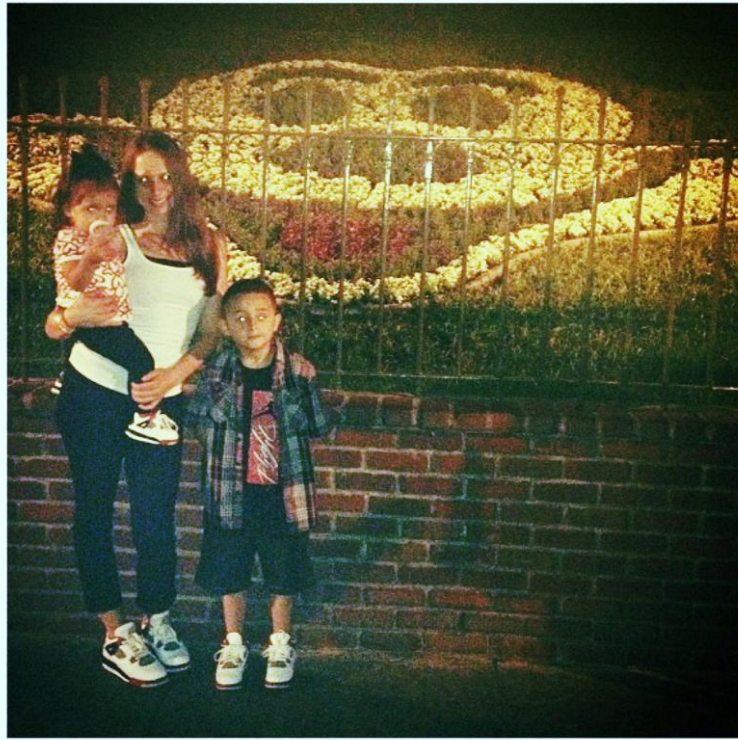
Meet a Member of the KM&O Staff: Elizabeth Guerrero, Client Care Associate

Elizabeth joined the firm in January 2012. Her primary responsibility is serving as a liaison between our clients and attorneys, assisting clients with any questions they may have, as well as setting up appointments. She also works closely with our Client Care Director in the facilitation and preparation of our educational seminars.



Elizabeth grew up and currently resides in the South Bay. She graduated from Gardena High School and has taken some courses at El Camino College. In her spare time, she enjoys a variety of activities with her family. These activities vary from frequent trips to Disneyland as annual passholders, taking her son to karate and paintball shooting, going to the park and watching movies.

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Elizabeth at one of her many Disneyland trips holding her daughter, Eliza (22 months), and with her son, Alex (6 years old)

New Year's Recipe: Fiery Fish Tacos with Crunchy Corn Salsa

As we kick off a New Year, many people have made a resolution to lose weight or eat healthier. Here's a delicious and healthy recipe from the good folks at AllRecipes.com.



Enjoy!

INGREDIENTS:

- 1 cup corn
- 1/2 cup diced red onion
- 1 cup peeled, chopped jicama
- 1/2 cup diced red bell pepper
- 1 cup fresh cilantro leaves, finely chopped
- 1 lime, zested and juiced
- 2 tablespoons sour cream
- 2 tablespoons cayenne pepper
- 1 tablespoon ground black pepper

- 2 tablespoons salt
- 6 (4 ounce) fillets tilapia
- 2 tablespoons olive oil
- 12 corn tortillas, warmed

DIRECTIONS:

1. Preheat grill for high heat.
2. In a medium bowl, mix together corn, red onion, jicama, red bell pepper, and cilantro. Stir in lime juice and zest.
3. In a small bowl, combine cayenne pepper, ground black pepper, and salt.
4. Brush each fillet with olive oil, and sprinkle with spices.
5. Arrange fillets on grill grate, and cook for 3 minutes per side.

For each fiery fish taco, top two corn tortillas with fish, sour cream, and corn salsa.

Some Words of Wisdom

Nothing is as certain as death and taxes...fortunately, Congress doesn't make death worse each year!

- Unknown

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