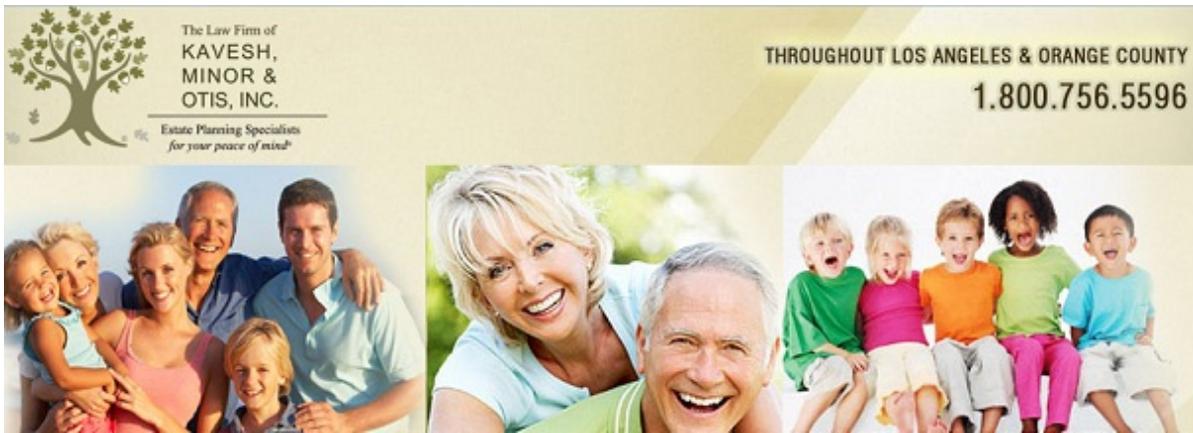


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**April 2018  
Edition**

## Should You Worry About Estate Taxes Any More?

By  
Phil Kavesh

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### Living Trust Seminar

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

**Thursday,  
April 5**

Pasadena Main Office  
9:30 - 11:30 am  
790 E. Colorado Blvd.

**REGISTER**

**Saturday,  
April 7**

Torrance Double Tree Hotel  
9:00 - 11:30 am  
21333 Hawthorne Blvd.

**REGISTER**

**Thursday,  
April 12**

Torrance Double Tree Hotel  
9:30 - 11:30 am  
21333 Hawthorne Blvd.

**REGISTER**

**Wednesday,  
April 18**

Torrance Marriott Hotel  
6:30 - 8:30 pm  
21333 Hawthorne Blvd.

Most people believe that estate taxes are now gone and there's simply no need to do any special planning beyond the Living Trust. Wrong!

It is true that the recent federal tax overhaul raised the exemption amount (that you can pass estate tax free at death) to \$11.2 million if you're single and potentially up to \$22.4 million if you're married. However, these higher exemption amounts are only effective through 2025, and if you pass away after that, then the exemptions are scheduled to drop back to their 2017 levels of \$5.49 million single and \$10.98 million married.

If your estate is less than those levels and you are still not concerned about estate taxes, consider this - - if the party in control of Congress changes, the exemption may be further reduced to as low as \$1 million single and \$2 million married. If you own a home, have some savings and an IRA (or other retirement plan) or a rental property, your estate could be higher than those cutoffs and your loved ones could be burdened with significant estate taxes!

And, if all these "what-ifs" about federal estate taxes aren't already blowing your mind, watch what the State of California may have in store for you.

Back in 1982, California voters approved Propositions 5 and 6, which prohibited any State inheritance or estate tax. But times have changed. Sacramento legislators are looking for more tax dollars to defray cash short-falls impacting schools, healthcare and transportation. So they've come up with a "new" idea - - State Senate Bill 726, which already passed through Senate Committee in January 2018 and is now being considered in the State Assembly. If passed by both Democratic houses, and then approved as a ballot measure by the majority of voters, this Bill would repeal the ban on State inheritance and estate taxes, so the "rich" can again be taxed at death. There's a good likelihood that California's voters may approve this return of estate taxes, given that 63% of those voters recently extended the "millionaire's surtax", a top state income tax rate of 13.3% on our "wealthiest" (highest income) residents.

**REGISTER** 

**Saturday,  
April 21**  
Pasadena Hilton  
9:00 - 11:30 am  
168 S. Los Robles Ave.

**REGISTER** 

### **Medi-Cal Asset Protection Seminar**

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

**Tuesday,  
April 10**  
Torrance Main Office  
9:30 - 11:00 am  
990 W. 190th Street  
Suite 500

**REGISTER** 

### **Office Locations**

**For your convenience,  
we have multiple office  
locations throughout  
Southern California.**

#### **Main Office:**

**Torrance Office**  
990 W. 190th St.  
Suite 500  
Torrance, CA 90502

#### **Other Local Offices:**

**Pasadena Office**  
790 E. Colorado Blvd.  
9th Floor  
Pasadena, CA 91101

**Woodland Hills Office**  
5850 Canoga Ave.  
4th Floor  
Woodland Hills, CA 91367

**Orange Office**  
333 City Drive West  
17th Floor  
Orange, CA 92868

**Newport Beach Office**  
5000 Birch St.  
Suite 8000  
Newport Beach, CA 92660

### **Contact Us**

**You may contact us to  
make an appointment  
for your initial  
consultation, to  
schedule a review of  
your current estate  
plan, or to make a  
referral.**



### **Maybe You Should Look at Some Estate Tax Planning, Now!**

We highly recommend that single individuals with an estate currently valued over \$5 million or married couples with estates over \$10 million consider some advanced level estate tax planning right away, beyond the Living Trust. (Smaller estates may even need to do estate tax planning as well in the future, depending upon how Senate Bill 726 turns out, which we'll keep you apprised of.)

We, at Kavesh, Minor and Otis, may assist you with reducing or eliminating your estate taxes. Just give us a call to arrange a free consultation. Be sure to indicate you're coming in to discuss "advanced level estate tax planning."

## **Second Article**

# **How To Reverse Medicare Surcharges When Your Income Changes**



What happens if you are a high-income Medicare beneficiary who is paying a surcharge on your premiums and then your income changes? If your circumstances change, you can reverse those surcharges.

Higher-income Medicare beneficiaries (individuals who earn more than \$85,000) pay higher Part B and prescription drug benefit premiums than lower-income Medicare beneficiaries. The extra amount the beneficiary owes increases as the beneficiary's income increases. The Social Security Administration uses income reported two years ago to determine a beneficiary's premiums. So the income reported on a beneficiary's 2015 tax return is used to determine whether the beneficiary must pay a higher monthly premium in 2017.

A lot can happen in two years. If your income decreases significantly due to certain circumstances, you can request that the Social Security Administration recalculate your benefits. For example, if you earned \$90,000 in 2015 but your income dropped to \$50,000 in 2016, you can request an income review and your premium surcharges for 2017 could be eliminated. Income is calculated by taking a beneficiary's adjusted gross income and adding back in some normally excluded income, such as tax-exempt interest, U.S. savings bond interest used to pay tuition, and certain income from foreign sources.

You can request a review of your income if any of the

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[info@kaveshlaw.com](mailto:info@kaveshlaw.com)

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Learn more about important estate planning issues by visiting our website.

[kaveshlaw.com](http://kaveshlaw.com)

Also, visit our blog to keep up on the latest developments in estate planning.

[blog.kaveshlaw.com](http://blog.kaveshlaw.com)

following circumstances occurred:

- You married, divorced, or became widowed
- You or your spouse stopped working or reduced your work hours
- You or your spouse lost income-producing property because of a disaster or other event beyond your control
- You or your spouse experienced a scheduled cessation, termination, or reorganization of an employer's pension plan
- You or your spouse received a settlement from an employer or former employer because of the employer's closure, bankruptcy, or reorganization

If your income changes due to any of the above reasons, you can submit documentation verifying the change in income -- including tax documents, letter from employer, or death certificate -- to the Social Security Administration. If the change is approved, it will be retroactive to January of the year you made the request.

Article from [elderlawanswers.com](http://elderlawanswers.com)

## Recipe of the Month

# Fully Loaded Deviled Eggs

*Prep Time: 15m - Cook Time: 10m - Ready In: 1h30m  
Serves: 26 - Calories: 76*



## Ingredients

- 12 eggs
- 1 teaspoon vegetable oil
- 1 small onion, chopped
- 1/4 cup sour cream
- 2 tablespoons mayonnaise
- 1 tablespoon ranch dressing, or to taste
- 1 1/2 teaspoons Dijon mustard
- 1/2 teaspoon garlic powder
- 1/8 pinch onion powder
- 1/8 teaspoon lemon pepper seasoning
- 1 tablespoon bacon bits, or to taste
- 1 cup finely shredded sharp Cheddar cheese
- 1/4 teaspoon paprika, or as needed

## Directions

1. Place eggs into a large pot and cover with lightly salted water. Bring to a boil and reduce heat to medium; boil eggs for 10 to 12 minutes. Drain the boiling water and fill pot with cold water. After 2 to 3 minutes, pour off water and replace with more cold water. Repeat until eggs are fully chilled, 10 to 15 minutes. Peel eggs.

2. Heat vegetable oil in a small skillet over medium heat and cook and stir onion until translucent, about 5 minutes. Remove from heat and let cool.

3. Slice eggs in half lengthwise and scoop yolks into a bowl; transfer egg white halves to a plate. Mash egg yolks with a fork; stir in sour cream, mayonnaise, ranch dressing, Dijon mustard, garlic powder, onion powder, and lemon pepper seasoning until yolk mixture is smooth. Stir in bacon bits and Cheddar cheese.

4. Generously fill egg halves with filling and sprinkle each deviled egg with paprika. Refrigerate until chilled before serving.

Recipe from [Allrecipes.com](http://Allrecipes.com)

## Thank You



Here is a very special to all of our clients who have referred family and friends, or forwarded our newsletter to them! If you are part of a group or club and you would be interested in having us speak to the members on important estate planning topics of interest, please contact us at [info@kaveshlaw.com](mailto:info@kaveshlaw.com).

## Quote of the Month

**“ A journey of a thousand miles begins with a single step. ”**

**- Lao Tzu**

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Law Firm of Kavesh, Minor & Otis, 990 W. 190th Street, Suite 500, Torrance, CA 90502

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