

Estate Planning Emerges As a Critical Need, Timely Opportunity Amidst Pandemic

By Ted A. Koester

As the Coronavirus pandemic continues to sweep through the United States, schools are shuttering for the Fall session, employers are extending remote work plans, and the nation's healthcare system is preparing for an upward trend in positive COVID-19 cases, hospitalizations and, sadly, deaths. With the rates at which people have suddenly fallen ill and become incapacitated from the virus, end-of-life planning has surfaced as an important and timely topic among clients like never before. Rightfully so:

- The U.S. Center for Disease and Control is predicting the number of COVID-19 deaths in America to nearly double, reaching close to 300,000, by the end of 2020.
- Countless “healthy” people with no existing medical issues, who fall outside of identified “high risk” categories for death from COVID-19, have lost their lives to the Coronavirus, including young children, young adults, and mid-lifers (in their 30s, 40s and 50s).
- Estate planning provides an opportunity for clients to gain a sense of control and peace of mind during this stressful time when we are all facing an invisible and deadly virus that largely is *out of control*.
- Taking proactive steps to get business, financial and personal affairs in order now—from updating beneficiary designations to establishing or updating revocable “living” trusts to developing a business succession plan—will save surviving loved ones a tremendous amount of time, money, worry and stress.

One unexpected benefit that has emerged as a result of the pandemic is the allowance and adoption of virtual signing meetings with clients. Now with remote witnessing and notarization guidelines in place, law firms are able to execute estate planning documents with clients through web-based video-conferencing platforms. This is an important advancement that enables attorneys to help those who are hospitalized, reside in short- or long-term care facilities, or are critically ill where time is of the essence.

The widespread outbreak and rapid transmission of COVID-19 has put the subject of mortality on the table for many people who prefer to avoid it. However, there are other pressing factors that are also motivating clients to seek out an estate planning attorney to create or review their plans now:

1. Congress enacted the Setting Every Community Up for Retirement Enhancement Act (the “SECURE Act”), which took effect earlier this year and changed many of the rules that govern retirement plans and other tax deferred plans. Most beneficiaries may only stretch distributions from IRAs and qualified plans for 10 years. However, thoughtful consideration of the type of retirement plan, or allocating assets to specific beneficiaries or charities after death, can maximize tax savings and optimize distributions from the plan. *To read a summary of changes, [click here](#).*
2. Numerous changes to the Illinois Trust Code took effect on January 1, 2020, one of which mandates that trustees of a trust provide notice and an accounting of the trust’s assets, liabilities, income, expenses and disbursements to beneficiaries. Many parents bristle at the thought of disclosing the promise of inheritance to their children or grandchildren for fear that it may disincentivize them or prompt frequent requests for financial assistance. Fortunately, there are some strategic ways that clients can create or update their trusts to minimize or avoid this disclosure. *To read a summary of changes, [click here](#).*
3. Pandemic health and safety restrictions are limiting economic activity to the point that asset values are depressed and many businesses are struggling to withstand the impacts from global business disruption and economic contraction. Clients can turn this negative into a positive by transferring ownership of their business and other assets to the next generation for tax efficiency, while maintaining control of the business and assets themselves.
4. In these tumultuous and uncertain times, business owners looking to sell, merge or acquire operations or real estate are engaging seasoned legal counsel to maximize their sale prices and protect their interests as they secure financing, negotiate contracts and agreements, and execute corporate transactions.

CONCLUSION

With the safety and well-being of loved ones top of mind in this COVID-19 era, many of us are considering the “what if” scenarios that most people prefer to put off or choose not to think about. The reality is that we live in an unpredictable world. There are many reasons for clients to get their business affairs and estates in order now, and fewer barriers to doing so.

The attorneys at Lawrence Kamin help clients properly prepare and plan for the uncertainties and inevitabilities of life and business. [Contact us](#) by email or phone for a free consultation.

Lawrence Kamin is among the most respected law firms in Chicago, with equally impressive tax and estate planning, business law, litigation, and financial regulatory practices under one roof. For nearly 90 years, our attorneys have served as astute legal advisers devising effective tax savings and asset protection strategies for business owners, professional practitioners and wealthy individuals. We provide exceptional, cost-effective legal representation and strategic solutions tailored to help our clients achieve their goals at a reasonable cost. To learn more, visit www.LawrenceKaminLaw.com.

ATTORNEYS IN OUR TAX & ESTATE PLANNING GROUP



Tom E. Bennington
Partner



Timothy J. Edmier
Of Counsel



Maureen E. Loughran
Associate



Ted A. Koester
Partner



David L. Reich
Partner



Raymond E. Saunders
Partner



David W. Trailov
Associate



Joseph A. Zarlengo
Partner

This document has been prepared by attorneys at Lawrence Kamin, LLC for informational purposes only. It is general in nature and is not intended as legal advice. Further, it is based on legal authorities that are subject to change. Accordingly, readers should consult with and may wish to seek the advice from their own counsel with respect to any situation that involves the material contained in this document, including the application of such material to their specific circumstances.

© 2020 Lawrence Kamin. All rights reserved. Attorney Advertising Material.