

MarketWatch

Transcript

Alisa Parenti

How has the year end fiscal cliff and the current sequestration impacted your financial planning or your estate plans? I'm Alisa Parenti and Money Markets and More we check in with Eido Walny, an estate lawyer in Wisconsin. So give us your read on the current conditions.

Eido Walny

The fiscal cliff created a very interesting environment, there were a lot of issues that it didn't address, both tax and nontax so the sequester puts us into a really interesting paradigm where all of the things that were dealt with in the fiscal cliff legislation on January 1st I think are all right back on the table as we deal with ways of continuing negative economic situations – whether you're interested in raising taxes, reducing costs – the fact of the matter is the government needs money one way or another and so when we talk about all the options being on the table I think all the issues that were talked about as permanent in the fiscal cliff legislation – we all know nothing in Washington is permanent. And so, those are all things we need to keep an eye on.

Alisa Parenti

Eido how are you advising your clients right now?

Eido Walny

In 2013 we got very high, or historically high federal estate exemption amounts, but the things to keep in mind with the fiscal cliff legislation is that that legislation didn't deal with a lot of the other things that we talk to clients about when we talk about estate planning. Among other things, the fiscal cliff legislation didn't ban lawsuits, didn't ban divorce – so a lot of the asset protection issues that we talk to clients about are still very much viable and still very much at the top of client's concerns. Taxes are important but they are not necessarily going to drive clients to act in a certain way. Whereas asset protection is something that would cause clients to set up certain trusts or consider certain insurance or act in a certain way to protect their assets that continues to be a very high priority for a lot of clients. Still yet and for a vast audience there are still issues with powers of attorney, wills, making sure that your assets get into the hands of the people that you want them to get into. And so again, all of those issues are still very much viable – weren't in any way affected by the fiscal cliff – really had nothing to do with fiscal issues at all. So for those clients it's still extremely important to not get mesmerized by the tax issues and still remember to deal with the things that are most important to them and very personal for them.

Alisa Parenti

That's a really good point – I think sometimes we can focus on the bigger picture – what's going on in Washington or what's going on there – but really we just need to make sure our own personal house is in order and the documents are in place to cover what we want beyond our lives.

Eido Walny

Absolutely.

Alisa Parenti

So tell us a little bit about – one of the things I think people have this perception that any kind of estate planning or talking with you guys is just prohibitive in terms of the expense – tell us a little bit about why that's not the case.

Eido Walny

The estate planning arena is shifting more and more to a user friendly flat fee based paradigm – so we are getting into a situation where you can talk to the lawyers and generally free of charge, get a sense of what is going to need to get done and figure out what the fee for that work is going to be, so often times you should know in advance what the cost of the work is going to be – that allows you decide then and there whether you want to pay for that work or whether you want to go somewhere else. For some clients there are some online tools that can help manage some of that fee – the biggest problem there is as a client you don't know what you don't know – so there's some value to having a professional sit down with you and help figure out what those issues that require addressing are – but fees especially in the estate planning arena are getting to be more and more manageable.

Alisa Parenti

Any other tools that you would suggest?

Eido Walny

I think a very good resource for clients is the National Association of Estate Planners and Councils – that's one of the largest estate planning groups in the country they also have certifications for estate planning attorneys and so if you want to find an attorney who is focused on estate planning, who's certified, who's passed the course requirements in getting certified as an estate planning attorney – the website there is www.naepc.org a really great resource for consumers and lawyers alike.

Alisa Parenti

Eido Walny thank you so much – appreciate your time as always.

Eido Walny

Thank you Alisa.