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Law Notes
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ESTATE TAX REPEAL? MOVING FORWARD IN A TIME OF UNCERTAINTY

By **Dennis M. Mitzel**

As of January 1, 2010, there is no estate tax. However, in passing the Economic Growth Tax Relief Reconciliation Act of 2001, Congress could not agree on permanent repeal. Therefore, the repeal itself is to "sunset" on January 1, 2011, bringing back the tax at pre-Act exemption levels. As a result, the estate tax exemption increased to $3,500,000 in 2009, disappeared on January 1, 2010, and will be revived at a $1,000,000 exemption level in 2011.

For eight years Congress knew that the problem had to be fixed. For eight years various proposals to provide fairness and certainty were anticipated. However, what no estate planning expert believed in 2001 could happen, in fact, happened on December 31, 2009. Congress was unable to address the issue and failed to pass legislation. Even more disappointing, Congress made only a half-hearted attempt to resolve the problem, relying instead on a plan to pass a 2010 Act retroactive to January 1. While such retroactive laws have been held constitutional in the past, this is not a fair, responsible, or reliable way to deal with the largest single change in the history of the estate tax.

What Do We Expect?

Congress's stated intention is to fix the law in the year 2010 with a revived estate tax retroactive to January 1, 2010. If so, the exemption is likely to be frozen at the $3,500,000 exemption amount for the future.

A second possibility, which until recently would have been considered unthinkable, is that Congress may actually allow the law to run its course. In that case, the estate tax will not be in effect for 2010. The tax will return in the year 2011 with only a $1,000,000 exemption.

Dealing with Estate Tax Uncertainties

Because of the estate tax uncertainty over the last eight years, most estate plans prepared during that period have included formula provisions that were designed to be effective no matter what the level of the estate tax exemption or even if there was no estate tax at all. Nonetheless, because of the dramatically changing exemption amounts, it is important to periodically review estate plans to confirm that they continue to be effective under current and projected future law from both a tax and family planning standpoint.

Proper Funding of Trusts

While many estate plans provide for potential tax law changes, many individuals fail to keep up with the rising exemption amounts in funding their revocable trusts. Although often much attention is placed on the technical language in estate planning documents,

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failure to properly fund a trust can result in an incredible amount of unnecessary federal estate tax. The most common mistake is to under-fund trusts and to place too many assets in joint names, with the result that the available tax exemption is not fully used.

Because exemption amounts are changing dramatically, estate plan review with particular emphasis on proper trust funding should be done every one or two years. A great time to do this is while preparing individual income tax returns. While annual records are being reviewed for income tax purposes, they can also be examined to confirm that assets have been properly placed into trust name and, for a married couple, that assets are properly divided between their two trusts.

Gift Tax

Even if the estate tax is not revived in 2010, the gift tax remains in place. Individuals have a $1,000,000 lifetime gift tax exemption amount. After the first $1,000,000 of lifetime gifts, gifts will be taxed at 35% for 2010. This is a reduction from the 45% top rate of 2009 and the 55% top rate which could be in place in 2011.

Each individual is also given an annual exclusion from the gift tax for gifts made to any individual. The annual exclusion remains at $13,000 per donee or $26,000 per donee for a married couple who elect to split gifts. Direct payments of tuition or medical expenses are also excluded from the gift tax.

Estate and Gift Planning

Estate and gift planning is particularly difficult for 2010 due to the uncertainty concerning the tax laws that will be in effect this year and the next. One option for individuals who would otherwise be subject to the estate tax is to make large gifts in 2010, thus taking advantage of the low 35% top gift tax rate.

However, there are two potential drawbacks to this plan. First, it is possible that any temporary savings will be recaptured either if estate tax legislation is passed and retroactively applied or when death occurs at a later time. Second, if death does occur in 2010, there is some possibility that the gifted assets could have passed to beneficiaries without any estate or gift tax whatsoever.

The uncertainty in the law also makes it particularly difficult for individuals who have assets between $1,000,000 and $3,000,000. If the exemption is brought back at $3,500,000, their assets are safely below the tax threshold. If the exemption is reduced to $1,000,000, their estates are at risk of paying up to $1,000,000 in tax. As a result, substantial estate and gift tax planning is necessary.

Further complicating decision making is the fact that current law applies a "carry-over basis" to the assets of individuals dying during 2010. Prior to 2010, all assets included in a decedent's taxable estate received a new "stepped up" basis equal to their date of death value. Stepped up basis eliminated any built up capital gains.

Under the new rule, the basis for assets on a decedent's death will be equal to their original basis (generally their original cost plus various adjustments) plus an increase of up to $1,300,000, that may be added to that original basis. There is an additional $3,000,000 available basis increase for assets left to spouses and for assets in certain marital trusts.

This change will have no effect on estates less than $1,300,000, but will cause a great deal of accounting difficulty and future capital gains tax for beneficiaries of many estates larger than $1,300,000. Thus, if Congress does not change the current law, estates of individuals dying during 2010 will have no estate tax liability, but may not receive a full step up in basis.

Conclusion

The estate and gift tax laws have never been in such a state of uncertainty as at the present time. Many of these uncertainties may be addressed before year end. Trust funding decisions need to be made recognizing the possibility of either a $1,000,000 or a $3,500,000 exemption. Individuals with substantial wealth or who are facing a life threatening illness should meet with their estate planner to review how these potential law changes could affect them and whether or not there are steps to be taken now which may help to reduce or eliminate tax.

WHAT CAN A NONPROFIT ENTITY DO WITH DESIGNATED CHARITABLE DONATIONS?

By **Thomas M. Sullivan**

This article explores three similar, yet different types of "designated" donations a nonprofit charitable organization may receive. It also explains the rights and responsibilities of both the donor and the charitable organization with respect to each.

The first type of designated donation is a contribution made for the purpose of benefiting a specific individual. The second is a contribution made to support a specific purpose. The third is a contribution made to a donor advised fund.

Gifts to Designated Individuals

If a donor comes to your charity and offers to make a contribution for the purpose of defraying the medical costs about to be incurred by a specific individual, can the charity accept that donation?

If the purpose of the charitable organization is totally unrelated to helping families in need, then it may not accept a donation so designated. The charity must use all of its assets to advance the purposes for which it was organized. As an example, if the charity's purpose is to provide residential care for developmentally disabled individuals, contributions designated to help a specific individual defray medical costs

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would not be consistent with that purpose. Therefore, the donation could not be accepted.

If, however, the charitable organization was formed for the purpose of assisting families in need, then the proposed donation would be at least consistent with that purpose. Although the donor could give money directly to the family to defer the medical costs, that gift would not be a charitable contribution and would not be tax deductible.

However, if the money is given to a charitable organization whose purpose is to assist families in need, a charitable deduction may be available. If the donation was given for the general purpose of assisting families in need, the donation could be accepted and the donor would be entitled to take a charitable deduction.

In this case, however, the donor has identified a specific individual who is to benefit from the donation. While donors can request how donated funds may be used, they may not require the funds to be used for the benefit of a specific person. To be a valid donation, the charity must be totally free to determine whether the designated family truly needs the type of assistance being offered and whether assisting the family is the best use of the donated funds. If there are several families in similar circumstances, the charity must have the ability to freely decide which family or families should benefit from the donation.

Gifts Designated for Specific Purposes

A donor comes to your charitable organization and offers to give a donation for the specific purpose of covering the costs of developmentally disabled individuals in residential care. Can the charity, whose purpose is to provide residential care for developmentally disabled individuals, use a portion of those funds to cover overhead and administrative expenses? The answer to that question depends upon what representations were made by the charity or what the donor directed at the time of the gift. If, at the time of the contribution, it was clearly understood that the donation was not to be used for overhead or administrative expenses, then none of the donated funds may be used for those purposes. Thus, it is important in soliciting for donations to make clear that the charity reserves the right to use the funds for whatever purposes it sees fit, consistent with its overall purpose.

If your charity has accepted funds for a specific purpose, you may be able to go back to the donor for authorization to use the donation for overhead and administrative expenses. If the donor agrees, then the funds can be used for those purposes as well.

If your charity has received restricted donations, it is wise to establish a restricted fund account for those funds rather than to deposit them into the charity's general account. If your charity has received restricted funds for more than one purpose, then it is wise to subdivide the restricted fund account for each such purpose. Once the restricted fund accounts have been established, the use of the funds from those accounts must be limited to the specific purpose for which they were originally donated.

Donor Advised Funds

Recently, more and more has been heard with respect to donor advised funds, but this still is an area that is not well understood. Generally, a donor advised fund is a charitable contribution given outright to a charity with the agreement that the wishes of the donor will be considered when the charity spends the contributed funds.

A donor who sets up a donor advised fund could use a private foundation to accomplish his or her charitable purpose. However, establishing a private foundation with a contribution of, say, $50,000, is not a practical way to handle those funds. In addition, the donor likely does not want the responsibility of operating a private foundation and making sure it complies with complex legal and tax requirements.

May a charity accept donor advised funds? The answer is generally yes, with qualifications.

The principal concern of the Internal Revenue Service is whether or not the donor has surrendered sufficient control over the funds to constitute an immediate charitable contribution. If not, the donor's charitable deduction must wait until the funds are distributed from the fund to the final charitable recipient.

In order for the contribution to be immediately deductible, the charitable organization must have actual ownership and control of the funds at the time they are contributed. Once the donor has given up control of the use of the funds, he or she may request, but not direct, how the funds may be used. The test is whether the charity clearly has possession and control of the funds with the right to invest and use them as it sees fit. Of course, the funds must be used for charitable purposes and in a manner consistent with the general purpose for which the charitable organization was organized and operates.

Charitable organizations may wish to consider whether a minimum amount should be distributed each year from donor advised funds. Some organizations require at least five percent of the assets be spent annually, consistent with the requirements of private foundations. Other organizations consider whether to include a limit on the maximum amount distributed in a given year. This is done to maintain the organizations' assets that have been increased by the donor advised fund contributions.

It is wise for a charity to consider placing a limit on how long the donor's desires will be given consideration. Some charities provide that the donor advised funds will become part of and be included within the general funds of the charity upon the occurrence of a specific event, such as on the donor's death or upon both the death of the donor and the death of his or her designated successor.

Conclusion

Obtaining charitable donations is never an easy task. Every charity wants to accept a donation when offered; however, be sure that the organization is in compliance with the applicable laws and regulations when acceptance occurs. To do otherwise could result in harm to the charity and provide a result that is both harmful to and unexpected by the donor.

OPTIONS IN THIS UPSIDE DOWN RESIDENTIAL REAL ESTATE MARKET

By **Randolph M. Wright**

The value of homes in Michigan – both primary residences and second homes – has plummeted 40% or more. For a general idea of the current value of your home visit www.realestate.yahoo.com/homevalues.

What actions or options should you consider if your residence or second home is worth less than the balance of its mortgage?

There is nothing inherently dangerous in owing more on your home than its current value. If you have an affordable fixed rate mortgage, consider waiting out the cycle. Even if home values do not return to their high watermark, they will likely improve, as they did in 1974, 1982, and 1991.

If you are struggling with mortgage and tax payments on a home that is worth less than the mortgage balance, you may want to consider one of the following options.

Negotiate with Your Mortgage Lender to Restructure the Loan

Ideally, you have a relationship with someone at the mortgage company that you can contact to initiate the process. If not, call the lender and ask to be connected to the Loss Mitigation Department. Prior to making the call, assemble detailed information on how much of your gross monthly income goes toward payment of your mortgage, taxes, auto loans, student loans, and credit cards. The lender will focus on ratios based on these numbers in the underwriting process.

Participate in the Government Rescue Plan

Consider participating in the government mortgage rescue plan. These programs are designed to assist "at risk" homeowners who can demonstrate hardship. Who is eligible? You may qualify -

- If you owe up to 105% of what your home is worth or
- If you spend over 31% of your gross monthly income on mortgage payments.

The Government Plan has Two Options:

1) Low Cost Mortgage Refinancing – these are 15 to 30 year mortgages for homeowners who would not normally qualify because their homes have lost value.

You still must have 20% equity in the home and no missed payments in the last 12 months. The program is available only to those whose mortgages are held by Fannie Mae or Freddie Mac.

This program runs through June, 2010.

Rule of Thumb: if you have a mortgage with an interest rate over 6.5% and you will recoup the closing costs in 24 months, consider it.

2) Loan Modification – under this program the terms of your existing mortgage are modified, for example, by reduction of the interest rate, principal balance, or both. Servicers are required to reduce the total amount of a qualified borrower's mortgage payment to 38% of monthly income. The government will then subsidize the loan to the point at which the borrower's payment is reduced to 31% of their monthly income.

The mortgages must be insured by Freddie Mac or Fannie Mae. Call your lender to determine if your mortgage meets this requirement or go to http://makinghomesaffordable.gov.

Only loans that were issued before January 1 of this year are eligible for modification. Loans on properties worth more than $729,750 are not eligible. But that amount could be lower based on your location. You should consult with your lender to confirm eligibility.

This program runs to December 31, 2012.

Under either program, the emphasis is on lowering the borrower's payment to no more than 31% of their monthly income. Interest rates must be lowered to meet this requirement, however the rate cannot be lowered to less than 2%. The mortgage may be extended up to 40 years to satisfy this requirement if an interest rate reduction is not sufficient.

If there is an interest rate reduction, it is locked in for five years and then will increase by 1% per year until the original interest rate or the market interest rate at the time of modification is met, whichever is lower.

What If You Cannot Renegotiate with the Lender and Do Not Qualify for One of the Government Programs?

Consider listing the home for sale and being very proactive in marketing it. Keep your mortgage payments current within 90 days so the mortgage does not go into foreclosure.

If you get an offer that is less than the mortgage balance, attempt to negotiate a "short sale" with the mortgage lender. In a short sale, the lender agrees to accept the purchase price in full payment of the mortgage even though the price is less than the mortgage balance. This is very possible especially if your mortgage was with a defunct lender like Countrywide. Those mortgages were purchased at a discount (using your tax dollars of course) so the current mortgage lender can reduce the principal and interest and still make a profit.

What is the impact on your credit score? All of the work out alternatives will have a negative impact on your credit score. VantageScore Solutions estimates a drop of 140 points for a short sale and 350 points for a bankruptcy.

However, according to FICO, another credit scoring agency, "Borrowers with short sales and loan modifications should see their credit scores recover more rapidly if they keep making their payments on time, keep balances low, and refrain from applying for new credit."

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Consider a Reverse Mortgage

If you are 62 years or older and have equity in your home, a reverse mortgage may be an option. The reverse mortgage allows you to take some equity out of your home and continue to live there with no payments until it is no longer your permanent residence – by reason of death or abandonment. No matter what the value, neither you nor your heirs will be responsible for any deficiency when the lender sells the property.

Default and Foreclosure

There has been a substantial increase in strategic defaults on residential mortgages, defined as defaults by homeowners with very high credit scores that have never been delinquent in making their mortgage payments – 588,000 in 2008. This is a serious decision that should not be made without considering all options. However, for some homeowners, it is the best option. You continue to live in the home for 8 to 12 months payment-free before vacating, saving tens of thousands of dollars.

Once the lender takes possession of the home and sells it to pay off its mortgage, it may be left with a deficiency. In other words, the sale proceeds may not be enough to fully pay the loan. The lender will have the option of pursuing you for that deficiency by filing a claim in court and reducing it to a money judgment.

It is important that you arrange your affairs to protect your assets against a money judgment. See my articles, *Asset Protection Planning Starts at Home* and *Post 9/11 Asset Protection Planning* at www.berrymoorman.com/publications.

To avoid defending against a claim for a deficiency, you should consider negotiating with the lender to give it a deed in lieu of foreclosure. Under this procedure, the homeowner gives the lender a quit claim deed to transfer the real property to the lender so it is able to avoid the expense of foreclosure.

If you pursue this option, it is important that you obtain written documentation that the lender waives any claim it may have against you for a deficiency judgment. Also, attempt to obtain a written statement from the lender to submit to the credit reporting agencies that states "lender and debtor agreed to compromise this obligation under terms satisfactory to both parties" or, ideally, "paid as agreed".

Forced Loan Modification

In some cases, there is evidence of lender abuses in financing and refinancing mortgage loans. There are documented instances of bait and switch tactics, appraisals being manipulated to get loans approved, and forged or misstated documents. You have a right to audit your loan file to determine if there are any irregularities under the numerous statutes governing mortgage lending, including the Truth in Lending Act (TILA), Real Estate Settlement Practices Act (RESPA), Equal Credit Opportunity Act (ECOA), and Fair Credit Reporting Act (FCRA).

Documentation of violations of these statutes, depending on the severity, often motivates the lender to rethink the advisability of restructuring the loan. Forcing a loan modification can be a very adversarial process and should only be pursued using an experienced team of professionals.

If you have questions or require assistance in negotiating the modification of your mortgage, contact Randolph M. Wright at our firm's Birmingham office 248-645-9680.

BERRY MOORMAN ATTORNEYS RECOGNIZED IN DBUSINESS

The November/December 2009 issue of *DBusiness* magazine designated nine Berry Moorman attorneys as top lawyers in metro Detroit in recognition of their outstanding professional ability and ethical standards. The designations are based on the 2010 Martindale Hubbell Peer Review Ratings which listed the following lawyers as preeminent:

Donald F. Carney, Jr. – Estate Litigation, Alternative Dispute Resolution, and Estate Planning,

John P. Herrinton – Taxation, Estate Planning, and Corporate Law,

Sheryl A. Laughren – Alternative Dispute Resolution, Corporate Law, and Labor and Employment Law,

Robert W. Morgan – Labor and Employment Law,

George H. Rundstadler, III – Corporate Law,

Mark E. Straetmans – Business Litigation and Real Estate Law,

Thomas M. Sullivan – Nonprofit Law and Corporate Law,

Harvey B. Wallace II – Estate Planning, and

Randolph M. Wright – Corporate Law and International Law.

FIRM NEWS

Randolph M. Wright was recently re elected for a three-year term to the board of directors of Search for Common Ground, a Washington DC and Brussels, Belgium based non profit organization working to transform the way that the world deals with conflict – moving from adversarial approaches to resolve conflicts peacefully. Search for Common Ground has operations in 22 countries working with 575 local partners in some of the most contentious environments in the world. Its media arm, Common Ground Productions, has reached over 100 million people through radio and television programming.

On November 5, 2009, Randy also presented "The Risks and Rewards of Doing Business in the Russian Federation" at a Grand Valley State University symposium at the Van Andel Global Trade Center in Grand Rapids.

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Dennis M. Mitzel spoke at the Probate and Estate Planning Section Seminar "Estate Planning in Times of Estate Tax Uncertainty" on March 31, 2010 at the Inn at St. John's in Plymouth, Michigan. The seminar focused on estate planning in light of the uncertain federal estate and gift tax rules for 2010 and beyond.

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David Foy spoke to Beaumont Hospital residents on February 24, 2010 regarding key terms commonly contained in employment contracts. Among the topics discussed were at will employment, bonus, non-compete, indemnification, and insurance provisions.

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Donald F. Carney, Jr. was elected president of the Orchard Lake Country Club for the 2009-2010 term.

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Thomas M. Sullivan was elected general bowling chairman of the Detroit Athletic Club for the 2010-2011 season. Tom is currently serving as the assistant general bowling chairman for the 2009-2010 season.

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Sheryl A. Laughren will serve on the faculty of the 2010 Michigan Assisted Living Associations Annual Conference which will take place on May 4, 2010. Sheryl will give guidance to provider/employers in the following areas: recruitment, applications, interviewing and hiring, selecting the best applicant, avoiding legal pitfalls (discrimination claims and other entanglements), and traits in effective counseling and discipline.

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Harvey B. Wallace II moderated a telecast on Roth IRA conversions sponsored by the ABA Joint Committee on Employee Benefits on February 25, 2010. Issues addressed in the telecast included the differences between Roth and traditional IRAs, the mechanics of Roth conversions, avoiding mistakes in distributions that result in taxation, and tax payment deferral on 2010 conversions.

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David M. Foy and **Dennis M. Mitzel** will both give presentations at the Michigan Non Profit Association Michigan SuperConference 2010 which will take place in Lansing on May 19, 2010. Dave's presentation will concern supervision and evaluation of staff and Dennis's presentation will address charitable planning rules and opportunities related to planned gifts.

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Ten Berry Moorman attorneys will participate in the Free Legal Advice Clinic on Sunday, May 2 at the Community House in Birmingham. The clinic is in celebration of Law Day which annually highlights and honors our enduring legal culture. Community members may ask questions and receive brief, free legal advice from noon to 5:00 p.m. **Randy Wright**, **Rich Zmijewski**, and **George Runstadler** will provide advice on business law matters. **Randy Barker** will cover questions concerning consumer law and real estate. **Don Carney** and **Dennis Mitzel** will provide guidance on estate and trust issues. **John Schrot** will be available for consultation on family law concerns. **Sheryl Laughren** and **Randy Barker** will answer questions on labor/employment matters. **Jack Herrinton** and **George Runstadler** will address tax questions. For more information call (248)644-5832.

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2010 MAY BE THE YEAR TO CONVERT YOUR TRADITIONAL IRA TO A ROTH IRA

By: **Harvey B. Wallace II**

Changes to federal tax law may present the opportunity for long term income tax savings by expanding eligibility and lowering the tax cost of converting a traditional Individual Retirement Account ("IRA") to a Roth IRA. In the past, only individuals with an adjusted gross income of less than $100,000 were eligible to convert. Beginning in 2010, there is no income eligibility limit.

Roth IRAs are significantly different from traditional IRAs. Contributions to a traditional IRA are income tax deductible and all distributions (including the account's earnings) are included in the account owner's income when distributed. Although, contributions to a Roth IRA are not income tax deductible (that is, they must be made with after tax dollars) all distributions (including the account's earnings) are excluded from income tax when received.

The minimum required distribution rules for traditional IRAs mandate that an increasing portion of the account be distributed for each year the account owner lives, beginning with the year that the account owner attains age 70 1/2. In contrast, a Roth account does not require that any distributions be made during the account owner's life. In addition, if the account owner's surviving spouse is designated as the account beneficiary, distributions are not required over the spouse's lifetime.

These Roth IRA features may make converting a traditional IRA to a Roth IRA advantageous for wealthier individuals who do not expect their taxable income to decline during retirement. Distributions from a Roth account provide a source of retirement income that could be used, if needed, without increasing the owner's adjusted gross income. Compared to receiving taxable distributions, nontaxable Roth payments may avoid cutbacks in personal exemptions, prevent increased tax on Social Security benefits, and avoid restrictions in medical expense deductions that might be triggered by increased taxable income.

In the case of both traditional and Roth IRAs, if the account owner has properly designated a beneficiary, the distributions required to be made following the account owner's death, beginning with the calendar year after death, may be made to the beneficiary over the beneficiary's life expectancy. If the beneficiary is young (a child or grandchild), the minimum required distributions will be less than the account's annual earnings for many years. For example, the initial required distribution for an age 50 beneficiary is only 2.9% of the account's value. The younger the beneficiary, the longer the distribution stretches out and the longer the tax free investment earnings continue to grow.

Annual contributions to IRAs and Roth IRAs are limited to a maximum amount of $5,000 (or $6,000 if age 50 or older). The amount may be reduced or eliminated if the account owner's income exceeds certain levels ($167,000 for joint filers; $105,000 for single filers).

When a traditional IRA is converted to a Roth IRA, the amount converted is included in the account owner's income. Generally, unless the converting account owner elects otherwise, the value of any IRA converted in 2010 will be included, ratably, in the account owner's taxable income for 2010, 2011, and 2012.

Assuming that the income taxes on conversion are paid from non IRA sources, a Roth IRA that is left to grow until the death of the last to die of the account owner and the account owner's surviving spouse could increase to a substantial amount. If any estate taxes attributable to the account are also paid from sources other than the account, those funds will continue to grow tax free while the account owner's children receive income tax free payments stretched out over their life expectancies. Thus, the tax free growth and the tax free distributions of a Roth IRA can benefit the account owner, his or her surviving spouse, and their children.

John J. Schrot, Jr. has joined Berry Moorman as a shareholder. John's legal career has predominantly focused on business law, family law, and other complex civil litigation matters. He also has extensive experience in contract negotiations, commercial transactions, employment law, real estate, insurance, construction, securities, corporate law, arbitration, and other intricate personal and contractual relationships.

John has served by court appointment as a special master of discovery, facilitator, mediator, umpire, arbitrator, and receiver. He has consistently achieved an "AV" rating, the highest peer rating by Martindale Hubbell, a nationally recognized directory of attorneys, for his legal ability and ethical standards. He has appeared in state and federal courts throughout Michigan and has argued in the Michigan Court of Appeals and the United States Court of Appeals for the Sixth Circuit.

Professional memberships include the American Bar Association ("ABA"), State Bar of Michigan, and Oakland County Bar Association. ABA section memberships include litigation, family law, and business law. Section memberships in the State Bar of Michigan include family law and business law. He is an arbitrator for the American Arbitration Association.

John is a past chairman of the Oakland County Bar Association's Circuit Court Committee. He is also a member of the City of Birmingham Board of Ethics and Advocate of the Holy Name Knights of Columbus. He has also served on the Board of Directors of the YMCA of Metropolitan Detroit and has been past chair of both the Board of Directors of the Birmingham YMCA and the City of Birmingham Advisory Parking Committee.

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