

Stephen F. Aton, Attorney at Law

Corporate
Estate Planning
Personal Injury Law

1571 E. Cherokee
Springfield, MO 65804
417/881-5667

QUALITY LEGAL SERVICES FOR A SECURE FUTURE.

Stretching your Retirement Benefits

An IRS letter ruling that permits Individual Retirement Accounts to be paid out to your beneficiaries over an extended period of time has become the preferred way to make sure your beneficiaries don't simply withdraw all the funds on your death and spend them in a short period of time.

Studies show that more than one in three IRA beneficiaries blow the money and are left in no better financial position than before the inheritance.

By using a "Stretch IRA", a special type of trust can be drafted which will allow your beneficiaries, such as children, to receive the money over their lifetimes, rather than having it

all "fall out of the sky" into their laps.

As an added benefit, the assets accumulate without being taxed. If minimum distributions are made to them, even a smaller IRA account can pay big dividends over the long term.

Assets in the Stretch IRA trust are also protected from your children's creditors and may not be reachable by their spouse in the event of a divorce.

The trust is a technical instrument and must have specific provisions in order to qualify. But with some planning, you may be able to make your retirement assets last for your beneficiaries for many years.



One out of three people inheriting money blows it within a short amount of time.

Lease Extensions: Must They be Written?



Consider the following: Suppose you own commercial real estate and the lease requires your tenant to exercise their option to renew in writing within 120 days of the end of the current lease term.

Assume too that the tenant fails to give written notice of intent to extend the lease, but stays, continuing to pay the same rent they paid under the original term.

If you continue to accept their payments, you have likely waived the requirement of notification in writing, and the tenant's lease term will renew as if they had provided notice.

To avoid this result, do not accept the additional rent payment, and inform them to vacate when they fail to provide the written notice to extend as required in the lease.

Vehicle Titling Update

Joint Car Titles: When two people are listed on a car title, and one dies, does the surviving titleholder have the whole interest in the car? In Missouri, the surprising answer is yes, and that is the case even if they are not husband and wife.

For real estate, unless the owners are married, or the deed provides for survivorship, the survivor's interest passes to his estate. No survivorship is presumed. Car titles are just the opposite. So a brother and sister, or father and son, could each receive the whole car title on the death of the first to die.

Trailers: A new Missouri law (House Bill 2380) states that beginning on August 28, 2016, "any trailer semi-trailer may, at the option of the registrant, be registered permanently upon the payment of a registration fee of \$52.50." The plate and the registration fee paid is nontransferable and nonrefundable.

Prior to the enactment of the new law, only gooseneck and fifth wheels qualified for permanent registration. For those intending to retain a trailer indefinitely, this may be a helpful time saving and economical option.



Is Your Operating Agreement Up to Date?

Since their introduction to Missouri in 1993, limited liability companies have become the entity of choice for most small businesses.

Part of their attraction is their simplicity: no directors and officers, no shareholder and director meetings with written minutes, and no annual report to the Secretary of State.

The entity is governed by an Operating Agreement, much like a partnership is governed by a partnership agreement. The Agreement describes who the Members are, their capital contributions, and whether the company is managed by a Manager or by the Members.

There may also be transfer restrictions and rights of first refusal before a Member may sell an interest in the company.

As time passes and circumstances change, it is advisable to revisit the agreement to see that it still complies with the members' desires.

Admission of a new Member, death or retirement of a current Member, and a change in the direction of the company are all opportunities to review the Operating Agreement to see that it will function in the desired fashion upon the occurrence of an important event.



LLC Operating Agreements need to be reviewed on occurrence of major events.

Taking Against the Will

If a person dies without making any provision for the surviving spouse, it may be necessary to force open a Probate Estate and file a claim to Take Against the Will.

Missouri law states that a surviving spouse is entitled to one-half of the estate if the decedent had no lineal descendants, or one-third if there were lineal descendants. The

spouse is also entitled to a one year support allowance and exempt property of the decedent.

Assets in the decedent's revocable trust may be part of the estate the surviving spouse takes. Some states have a law on point, but in MO it is an open question for the court and it may go either way.



Stephen F. Aton
Attorney at Law

1571 E. Cherokee
Springfield, MO 65804

417/881-5667 phone
417/888-5123 fax

atonlaw.com
steve@atonlaw.com