

Maximizing Your Social Security Benefits

Make Sure You Get What You Deserve

You may not be able to choose the percentage you contribute to Social Security, but you can determine how much you receive. Benefit amounts depend not only on your earnings history, but also on the age you start taking benefits and the strategy you take where a spouse is concerned.

Social Security benefits are calculated by averaging your income for your 35 highest earning years. (You may not be eligible for any benefits if you do not work at least 10 years.) If you work less than 35 years, zeros are averaged in. On the flip side, your lowest income years will be dropped from the calculation if you work more than 35 years.

Benefits are also determined based on when you file and may be claimed as early as age 62. But, full retirement is age 65 if you were born in 1937 or earlier. The age gradually increases until it is age 67 for those born in 1960 or later. Claiming benefits at age 62 results in the lowest benefits. Benefits increase approximately 8% per year between age 62 and age 70, in some cases doubling the annual payout.

So how can you increase the amount you receive? Make sure you work at least 10 years, even if only part-time; earning \$4,800 is sufficient to receive the credit for a year. Wait to claim benefits for as long as possible since every year you delay results in an 8% higher annual payout for your lifetime. Consider filing for spousal payments since a spouse can claim benefits based on his or her own work record or on 50% of the higher earner's benefits, whichever is higher.

Finally, don't earn too much at a job if you do take benefits early. If you are under full retirement age, \$1 is deducted from every \$2 earned over \$15,480 and \$1 for every \$3 earned during the year you will reach full retirement age. Once you reach full retirement age, there is no limit to how much you can earn.

Social Security claiming strategies can be complicated, so talk to a professional before making a decision. If you need a referral for a financial planner who can help you with your options, feel free to contact our office to speak to an attorney.

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Name

Occupation

Address

Age

ALS

Estate & Medicaid Planning for ALS

Amyotrophic Lateral Sclerosis (ALS), also known as “Lou Gehrig’s Disease,” is a progressive neurodegenerative disease that causes the brain to lose voluntary and involuntary control over muscle movement. Early on, sufferers gradually lose muscle tone and control. In time, they have increasing difficulty speaking, swallowing, and breathing. In the final stages, an ALS patient may require constant medical care.

A number of resources are available if you or someone you love is diagnosed with ALS. The Packard Center for ALS Research at Johns Hopkins University provides information on care centers, medical institutions, and support groups for patients and families. To view this list and other valuable resources, visit www.alscenter.org. The ALS Therapy Development Institute (www.als.net) also provides comprehensive information as well as community resources.

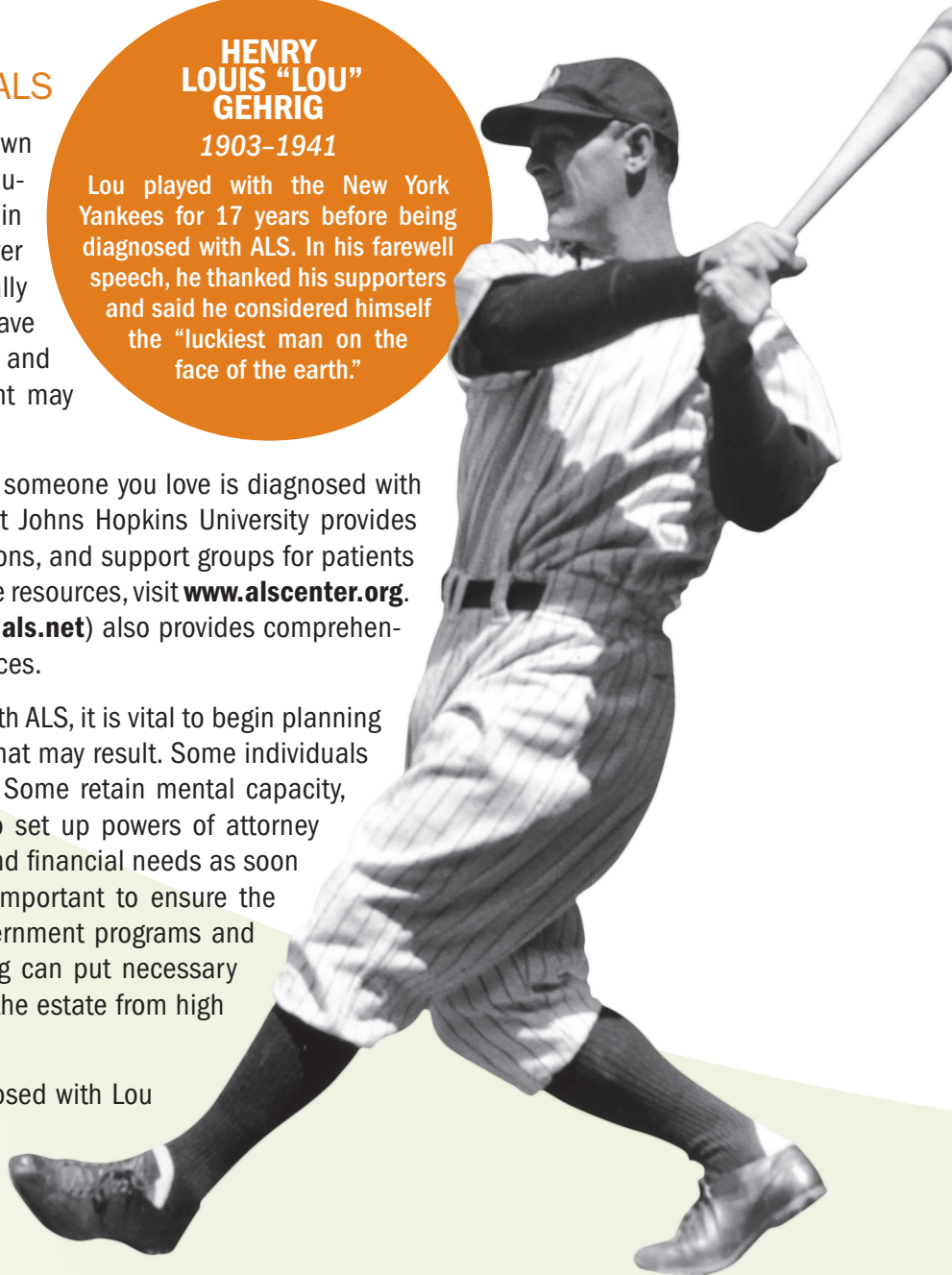
As soon as you or a loved one is diagnosed with ALS, it is vital to begin planning for the unique legal and financial situations that may result. Some individuals require significant short and long-term care. Some retain mental capacity, while others may not. Therefore, you need to set up powers of attorney and health care directives to cover medical and financial needs as soon as possible. Medicaid pre-planning is also important to ensure the individual can take full advantage of all government programs and benefits. A Medicaid Trust and other planning can put necessary strategies in place to help preserve much of the estate from high medical costs associated with care for ALS.

If you or someone you know has been diagnosed with Lou Gehrig’s Disease, call our office to schedule an appointment to take the important legal and financial steps necessary.

HENRY LOUIS “LOU” GEHRIG

1903–1941

Lou played with the New York Yankees for 17 years before being diagnosed with ALS. In his farewell speech, he thanked his supporters and said he considered himself the “luckiest man on the face of the earth.”



Saying Goodbye From the Heart

How to Give a Meaningful Eulogy

We’ve all attended funerals where the person delivering the eulogy clearly didn’t know the deceased. A few clichés and platitudes later and the deceased seems less like a beloved relative or friend and more like a stranger.

If you are given the honor (and it is an honor) of delivering a eulogy, don’t feel intimidated. Delivering an effective eulogy is actually easy if you remember two important tips.

First, think about a story that illustrates what made the person special. It could be how he did his job, how she cared for others, or how he supported a cause. Don’t be afraid to tell a humorous story. A funeral is a celebration of a life, as well as a time to mourn a death.

Then get personal. Don’t simply say who the person was; say what the person meant—especially to you. Be sincere. Be genuine. Express your true feelings. Through you, the audience will feel a little closer to the deceased and will take home a few more memories to cherish forever.

Review Your Estate Plan

Pay Special Attention to Beneficiary Designations

Chances are your personal and financial situation has changed over the years. Maybe you've gotten divorced, re-married, had children, or now have a blended family. It's possible the life changes you've experienced may have caused a change in your wishes regarding who should inherit your assets when you pass away.

A common problem is that many people forget to update their estate planning documents to reflect these changes. One issue often overlooked could be your beneficiary designations. Say you set up a 401(k) years ago and made your then-spouse your beneficiary on the beneficiary designation form. If you divorce and remarry and fail to change the beneficiary designation, the proceeds will go to your ex-spouse, regardless of whether your current spouse is listed as the beneficiary in your Living Trust.

Retirement plan beneficiary designations are also critical in terms of getting a "stretch" for distribution. If you name an individual beneficiary, that individual's life expectancy determines the distribution rate: the longer the life expectancy, the lower the amount that must be withdrawn each year. Choosing a younger beneficiary increases the "stretch" period and the tax-deferral benefits. (Of course funds can also be withdrawn at a much faster rate if not con-

trolled by an agent or Trustee.) In some cases, you can name a Trust as the beneficiary and still "look through" to the ages of the Trust beneficiaries.

So what should you do? First, periodically review your beneficiary designations for retirement plans, bank and financial accounts, and life insurance policies. Make sure the beneficiaries chosen are up-to-date and are effectively coordinated with your overall estate plan.

Then consider a Trust as a beneficiary. When carefully and thoughtfully crafted, a Trust could be a beneficiary of retirement funds, resulting in potential divorce and creditor protection, management by a Trustee, and possible exclusion from the taxable estate of the beneficiary.

Also consider performing periodic estate plan reviews with our office so your plan is up-to-date with major life or financial changes.

Estate planning is a lifelong activity, so make sure your estate plan evolves along with you and your family.



What's in a Legacy?

She had not one but two amazing careers. She began her film career at age three, received a special Juvenile Academy Award, was photographed more often than President Franklin D. Roosevelt, and was the top box-office draw for four years in a row before she retired from films at age 22.

Years later, she was named a Representative to the United Nations, was appointed the U.S. Ambassador to Ghana and then Czechoslovakia, and served on the boards of organizations like the Walt Disney Company, Del Monte, Bank of America, and the National Wildlife Federation.

Today, she has a star on the Hollywood Walk of Fame, a life-size statue on the Fox Studio lot, and her handprints remain in the cement outside Grauman's Chinese Theater. Yet to many she may be better known for being, in the words of Henry Kissinger, a "very intelligent, very tough-minded, very disciplined" diplomat. Saying she had "had enough of pretend," Shirley Temple Black left Hollywood to forge an outstanding legacy of public service both in Hollywood and in government.

What will your legacy be?

James M. Vitt

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A Message from the Firm Founder

Vitt Law Offices, PLC now offers annual client review seminars. We have been delighted by the interest we have received in these annual education events, and how well they have been received by our clients. We plan to continue to offer the client review seminars on an annual basis. For those of you who are interested in attending, the client review seminars for 2015 will be held on Wednesday, January 21st and Wednesday, July 22nd.

As always, we want to remind those of you with revocable living trusts (RLTs) to make sure all of your assets that should be titled under your RLT actually are titled under the name of your RLT. Remember: assets that are properly funded in the RLT stay out of the probate process. Please check with us if you have questions about what assets should be titled your RLT!

Also, we encourage you to make sure all of your beneficiary designations are up to date. Make sure somebody can access your computer data! Can somebody other than you access the contents of your safe deposit box? Contact us if

you have any questions about these matters, so you don't have "loose ends" that aren't properly "synced up" with your estate plan!

Additionally, those of you who have children over the age of 18 (adulthood in Virginia), or grandchildren, we recommend that all adults have Powers of Attorney for financial and medical decisions and HIPAA Authorizations in place. If you would like more information on how we can assist you in making sure your loved ones have these important documents in place, please contact our office.

We would like to thank those of you who have sent your friends, neighbors and relatives our way over the past several months to attend seminars and get their planning in order. Nothing is more gratifying for us than to hear that one of our clients recommended us! Plus, we all know it's in everyone's best interests to get their planning in order before it's too late! So, please tell us who we can invite to our upcoming seminars, and we'll send them a tasteful invitation.

Compliments of Vitt Law Offices, PLC

Your Estate Matters comes to you compliments of Vitt Law Offices, PLC.

James M. Vitt, founder of the firm, dedicates his legal practice to estate planning, elder law and related matters. He is a member of the American Academy of Estate Planning Attorneys, a national organization committed to providing consumers with information they need to make wise estate planning choices. Visit our website for more information: www.vittlaw.com. To contact our office, please call us at 434-971-3025, or e-mail us at info@vittlaw.com.



2015 Client Review Seminar Schedule

Wednesday, January 21st

&

Wednesday, July 22nd

www.vittlaw.com

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