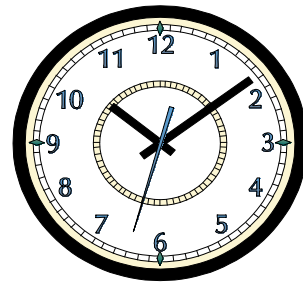


# TwoMinute Legal Update

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## Gone With The Wind

It is easy for your IRA or qualified retirement account to be gone with the wind due to poor planning. Too often, some people adopt the attitude of Rhett Butler and choose to simply “not give a damn” about how their estate or retirement plan will ultimately be transferred.

Unfortunately, that attitude can be very expensive for loved ones. For example, if the institution holding your

retirement account loses the paperwork which designates the beneficiary of your account, it is possible that your account will be treated as having no beneficiary.

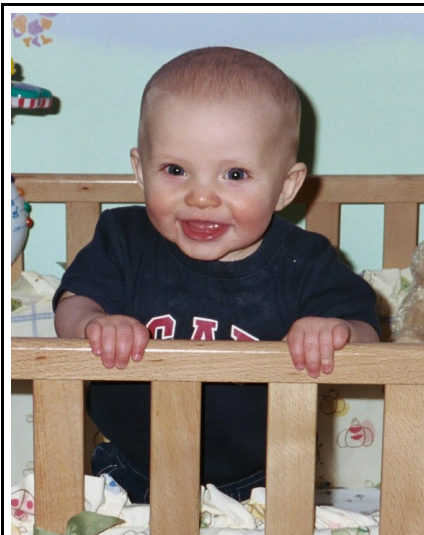
In that situation, upon the passing of the owner of the account, the entire account may be subject to income tax paid over the following five years. So please confirm that your beneficiary forms are actually current and consult your advisors on the many issues surrounding these seemingly simple forms.

### *Quips and Quotes*

*“I can't think about that right now. If I do, I'll go crazy. I'll think about that tomorrow.”*

-Scarlett O'Hara in  
*Gone With the Wind*,  
1939

Lastly, if you feel that your loved ones are otherwise adequately taken care of, consider ultimately leaving your retirement account entirely to charity. For smaller accounts, these transfers can be outright.



Here is administrative assistant Erin Hanton's new son, Landon. He was born June 26, 2003, weighing in at 8 lbs., 15 oz. and 20 ½ inches long.

In making the determination of whether your paperwork is accurate, consider that your will or trust may leave some money to charity. You may wish to reconsider making charitable gifts under your will or trust and instead send a portion of your IRA to charity. This is important since your retirement account assets are subject to at least two taxes--estate taxes and income taxes; that portion of the IRA which is left to charity avoids both of these taxes. This is generally more tax efficient than leaving retirement assets to your loved ones and non-retirement assets to charity.

For a more moderately sized IRA, you may wish to consider the use of a donor-advised fund which would allow your children to pick charities in the future. For very large IRA's, we often recommend the creation of a foundation which your loved ones can ultimately run. Each of these approaches will either minimize or eliminate unnecessary taxes on your retirement assets.

Careful monitoring of your valuable retirement assets may allow you to avoid the scorn Rhett Butler endured from his beloved Scarlett O'Hara.