



March 2014

## Welcome March

### Dear Reader,

I always enjoy when the calendar turns to March because it means spring - my favorite season - is just a few weeks away. And this year I feel more ready for it than ever... I can't wait for daffodils, calves and warm weather!

On Wednesday, March 12th at 9:30 am, I will be doing the first of what I hope will be regular quarterly informational presentations at Cookies & Crema in Castle Rock. This quarter I will focus on Kids Protection Planning. For more information and to register, contact our office.

This month I touch on lessons we can learn from some of the recent deaths of American celebrities. Last year we were actually detoured around Monarch pass due to filming of the next *Fast & Furious* film. Jim and I were looking forward to seeing how they incorporated this legendary mountainous highway into the movie. With Paul Walker's death, the release now likely will be delayed and will be bitter sweet to watch.

### Fast & Furious Lessons from Paul Walker's Estate

As fans of the *Fast & Furious* movie franchise know, in November Paul Walker (pictured) died tragically in a car accident in Los Angeles at the age of 40.

His estate was opened at the end of January in a Superior Court of California publicly revealing that he left \$25 million of taxable assets.



Other recent deaths of famous individuals including Philip Seymour Hoffman, Amy Winehouse and Heath Ledger also impart valuable lessons.

**Don't wait to do estate planning.** Walker was 28 when he signed his will. This was 2001, the year the first *Fast & Furious* movie debuted. While we will never know what prompted him to create his estate plan - perhaps it was his young daughter or a feeling that his star was on the rise - he did the right thing in planning early, especially considering his untimely death.

**Keep estate plans updated.** Neither Walker nor his attorney updated Walker's estate plan for over 12 years. Walker's net worth changed significantly during that time, and so did his estate tax status. Proper planning would have allowed him to pass the estimated \$5,000,000 his estate will pay the federal government in taxes on to his family instead. Similarly, Hoffman's will mentioned only eldest son Cooper, but not his two younger daughters. Ledger's will didn't mention Michelle Williams *or their daughter*. Good drafting may have addressed some of these issues by including later born children but this was not done in either Hoffman or Ledger's wills.

**Keep it Private by leaving assets in a trust.** Incredibly, Walker, Hoffman, Ledger and the late James Gandolfini all ended up with wills in probate. Probate is public, time consuming, often expensive and, perhaps even, unnecessary. But, having a will in place beats Amy Winehouse who died intestate, without having a will at all. For those of us in Colorado, you might even remember that after dying without one, singer John Denver's family spent six years in court.

**If you do create a trust, be sure to fully fund it.** The contents of Walker's estate, who will inherit it and when, are public knowledge because neither Walker nor his lawyer took the necessary steps to make sure his Trust was properly funded. Sadly, this isn't even a case of malpractice because the majority of clients want to handle this themselves and then never get around to it.

**Name guardians for minor children.** Walker's daughter is still a minor, and he did name his own mother as the guardian for his daughter Meadow in his will. Meadow's mother is still alive, so the grandmother will likely not assume guardianship unless Meadow's mother is found to be unfit.

Want to know more? Forbes.com has written several articles that also provide [good tips](#) and [lessons](#) we can learn from these and other famous estates. Barrons also wrote an informative piece this past weekend on [Lessons From Trusts Gone Bad](#) (Thanks for sharing Derek Knapp!)



## Thanks for A Successful Client Appreciation Event

Parents and kids alike enjoyed an afternoon making Valentine's cards, eating cookies and learning more about life insurance at Cookies and Crema in Castle Rock. A special thank you to **Kimberly Tarley** who shared her knowledge with our clients who attended. She also kindly shared the Kansas City Life Insurance [Survivor Needs Worksheet](#) for anyone who is interested in using it to help calculate survivor benefits.

We are settling in to our new space in Castle Rock and love visitors! Please stop by and say hello! We are located southeast of the library on Wilcox Street... hopefully our new lighted signs will be up outside the building by the end of the month!

**Until next month,**

Karen Shirley  
Holmes Shirley Law

Referrals are always appreciated! This month we would like to thank:

Leslie Garske, [Bam Advisory Group](#)  
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