July/August 2014

Estate & Fiancial Planning Council of Southern New Jersey

Member of the National Association of Estate Planners and Councils

Meeting Announcement
Samuari Planning - Cutting Edge Concepts for 2015

Thursday, September 18, 2014

Tavistock Country Club

100 Tavistock Lane, Haddonfield, NJ

Speakers:

Gary DeVicci, MSFS, CFP

Kevin DiMedio, Esq.

David Gill, CPA/PFS, CFP

This meeting is generously sponsored by:

SeniorWise Care Management

For additional Information Please see Page : 12

INSIDE THIS ISSUE:

Reminder...

- ***There is still time to register for the EFPCSNJ September Dinner Meeting—*** Thursday, September 18, 2014 details on page 12
- ***EFPCSNJ Membership Renewal—Renew now and save!! Renewal Form:*** page 11
- ***Mark Your Calendars!*** EFPCSNJ 2014-2015 Meeting Schedule on page 3

Letter from the President

Dear Council Members:

Fall is in the air, the kids are back to school and the first EFPCSNJ Educational Event for the 2014-2015 meeting year is upon us.

I am very excited to start the 2014 - 2015 EFPCSNJ meeting year with our opening event scheduled for this Thursday, September 18, 2014 at Tavistock Country Club titled "Samurai Planning – Cutting Edge Concepts for 2015." Presented by Gary DeVicci, Kevin DiMedio and David Gill This promises to be an informative event and a must attend for those engaged in estate and financial planning. There is still time to register. There is registration information in this newsletter and also online at www.efpcsnj.org. I urge each of our members to attend and invite a non-member to attend. I would like to thank our sponsor for the September meeting, SeniorWise Care Management for their continued support of EFPCSNJ. I hope to see you all there.

We are in the middle of the EFPCSNJ membership renewal period. If you haven't renewed your EFPCSNJ membership now's the time. EFPCSNJ members who renew their membership prior to September 30, 2014 will qualify for the discounted rate of $135. After September 30, 2014 EFPCSNJ Membership Dues will go up to $150. You should have received a few emails from Abby Murray with renewal instructions. There is also a renewal form with instructions on page 11 of this newsletter. If you have any questions about your membership or renewal contact Abby Murray and she will be able to help you. Abby can be reached at 856-795-0551 or by email at efpcsnjmbrsvcs@bowermanagementservices.com

Upon the inception of my presidency, I vowed to increase membership with an emphasis on recruiting younger professionals. My goals are simple -- to leave the organization better than it was when I joined the board four years back and for our membership to collectively mentor the next generation of professionals to come. I am asking you to help my achieve my goals by renewing your memberships and help my board identify younger professionals who should be members. Feel free to call or email any of our board members to pass along the name of a candidate for membership my board and I will reach out to them and solicit their involvement.

Please also take a moment to look at our schedule of events on our website at www.efpcsnj.org and also on page 3 of this newsletter. Please note your calendar so that you can attend and participate in each of our programs this season. We have done our best to select current topics and invite dynamic speakers. I hope to see each of you at this year's events.

Many thanks and see you Thursday!

Sincerely,
Yasmeen S. Khaleel, Esq.
Council President

Interested in becoming an Accredited Estate Planner?

Professional estate planners can now achieve an accreditation that acknowledges their experience and specialization in estate planning.

The Accredited Estate Planner is available to attorneys, Chartered Life Underwriters, Certified Public Accountants, Certified Trust and Financial Advisors, Chartered Financial Consultants, and Certified Financial Planners®.

The AEP designation is a graduate level specialization designation which recognizes estate planning professionals who meet stringent requirements of experience, knowledge, education, professional reputation and character. It is awarded by the National Association of Estate Planners & Councils.

For more information contact Tim at EFPCSNJ@mail.com or 856-795-0551.

2014-2015 Meeting Schedule

Educational Meetings are usually approved for 1.0 CFP & CPE credits.
Meeting registration and more information can be found at www.EFPCSNJ.org

Thursday, September 18, 2014
Topic: Samurai Planning: Cutting Edge Concepts for 2015
Speakers: Gary DeVicci, MSFS, CFP,
David J. Gill, Jr. MST, CPA/PFS, CFP
Kevin J. DiMedio, Esq.
Location: Tavistock Country Club, 100 Tavistock Lane, Haddonfield, NJ 08033
Schedule: Cocktails 5:30 p.m.; Dinner 6:15 p.m.; Program 7:00–8:30 p.m.
Sponsors: SeniorWise Care Management.
Sponsorship Opportunities are Still available

Thursday, November 20, 2014
Topic: IRS Disputes
Location: The Mansion on Main Street, Voorhees, NJ
Schedule: Breakfast 8:00 a.m.; Program 8:30-9:30a.m.
Sponsors: Sponsorship Opportunities are Still available

Thursday, January 22, 2015
Topic: EFPCSNJ 2nd Annual Elder Care Legal Forum
Location: Tavistock Country Club, Haddonfield, NJ
Schedule: Vendor Showcase & Cocktail Hour—4:30pm.; Dinner 6:00 p.m.; Opening Remarks 6:45 p.m.
Educational Program 7:00-8:30 p.m.
Sponsors: Sponsorship Opportunities are Still available. Additional information on Sponsorships and Vendor Tables will be emailed and posted on the EFPCSNJ website in the near future.

Thursday, March 19, 2015
Topic: The Money Pit
Speaker: Bob Baker, Esq.
Location: The Mansion, Voorhees, NJ
Schedule: Breakfast 8:00 a.m.; Program 8:30-9:30a.m.
Sponsors: Foundation Title and The Stewart Group
Sponsorship Opportunities are Still available

Thursday, May 21, 2015
Topic: Asset Protection
Location: The Mansion on Main Street, Voorhees, NJ
Schedule: Breakfast 8:00 a.m.; Program 8:30-9:30a.m.
Sponsors: Sponsorship Opportunities are Still available

Thursday, June 4, 2014
Installation of Officers and Member Awards Dinner
Location: TBD
Time: 6:00 p.m.—9:00 p.m.
Sponsors: Sponsorship Opportunities are Still available

INTERESTED IN SPONSORING AN EVENT?

Do not miss this opportunity to sponsor an EFPCSNJ Event - Call 856-795-0551 Today!
If you are interested in sponsoring an EFPCSNJ meeting in the 2014—2015 Meeting Year, please contact Abby Murray at 856-795-0551.

Understanding and Planning for the New Net Investment Income Tax

By: Mark Sobel, JD, LLM, CPA & Chris Catarino, CPA

In 2010 President Obama signed into law the Patient Protection and Affordable Care Act (PPACA). Enacted as part of the PPACA, a new Medicare tax on unearned income was added which imposes a 3.8% surtax on certain investment income of individuals and estates and trusts beginning January 1, 2013. This tax, which is codified under Internal Revenue Code (IRC) Section 1411, is one of the essential revenue raisers for funding of the PPACA. More commonly known as the net investment income tax (NIIT), the 3.8% surtax will mainly affect high income earning individuals. Many trusts and estates will also be affected as well because the exposure to this new tax begins at much lower income levels for these entities. The new NIIT, along with other significant rate increases taking effect in 2013, will be a surprise to many taxpayers who have not planned for these changes via adequate tax withholding and estimated payments. Fortunately, there are a variety of planning opportunities for individuals, trusts and estates to reduce their exposure to the new NIIT. However, before these strategies can be fully understood, it is important to comprehend the basic mechanics of the NIIT.

Mechanics of the Net Investment Income Tax

For individuals, the 3.8% tax is imposed on the *lesser of:*

a) Net investment income or

b) The excess (if any) of Modified Adjusted Gross Income (MAGI) over the applicable threshold amount ($250,000 for a joint return or surviving spouse, $125,000 for a married individual filing a separate return, and $200,000 for all others).

This 3.8% tax is *in addition* to any other taxes an individual may be subject to, including regular income tax, alternative minimum tax, self-employment tax and the new 0.9% Additional Medicare Tax on earned income that was also enacted as part of the PPACA.

Modified Adjusted Gross Income, for the purposes of the NIIT, is defined as a taxpayer's Adjusted Gross Income (AGI) increased by any amount of income excluded under the foreign income exclusion. Therefore, for individuals that exclude no foreign income, MAGI essentially means AGI.

It is important to note that individuals whose MAGI does not exceed their applicable threshold amount will not be subject to the NIIT even if they have investment income since the tax is imposed on the *lesser* of the two. That is, only when an individual's MAGI exceeds the applicable threshold amount will the NIIT apply. For example, a retired married couple with AGI of $230,000, composed of $80,000 of dividends, $50,000 of interest, and $100,000 of taxable retirement distributions will not be subject to the 3.8% tax. Even though much of their income would be considered investment income under IRC Section 1411 (covered in detail below) the NIIT will not apply since their MAGI falls below the $250,000 threshold for joint filers.

Accordingly, when planning for clients, it is critical to determine whether the NIIT will be imposed on their net investment income, or their excess MAGI. For individuals having the NIIT applied on the latter, planning strategies that reduce or defer *any* type of income will reduce their NIIT exposure, as MAGI will decrease. A married couple with $300,000 of MAGI ($200,000 of wages and $100,000 of interest and dividends) can take advantage of salary deferrals, 401(k) contributions, deductible IRA contributions, and HSA or FSA contributions to reduce their NIIT. Since the NIIT is imposed on the $50,000 by which their MAGI exceeds the $250,000 threshold as opposed to their $100,000 of investment income, they are not limited in NIIT planning to just reducing their investment income. Therefore, controlling AGI becomes even more valuable in these cases.

Composition of Investment Income

For individuals with less investment income than excess MAGI, determining which income constitutes "net investment income" becomes crucial. It is also where the NIIT formula, which to this point has been black and white, begins to show shades of grey.

As defined under IRC Section 1411(c), net investment income is the sum of three different categories of income:

a) Gross income from interest, dividends, annuities, royalties, and rents,

b) Other gross income derived from a passive activity (e.g. real estate investing) or the trading of financial instruments or commodities, and

c) Net gain attributable to the disposition of property (other than trade or business property held in an active trade or business).

The sum of these three income categories is then reduced by any deductible investment expenses allowed for the year. This includes investment interest expense, other investment expenses directly connected to the production of investment income, and state, local and foreign taxes allocable to investment income. The NIIT is then applied to this net amount.

As a general rule, income otherwise excluded from gross income is not included in the calculation of investment income. Tax-exempt interest from state and municipal bonds, Roth IRA distributions, the excluded gain from the sale of a principal residence and gains deferred due to nonrecognition rules such as IRC Section 1031 exchanges for real estate are all excluded from the calculation of investment income. Additionally, many forms of retirement income such as distributions from IRA's, pension plans, 401(k) plans, tax sheltered annuities and social security benefits are not considered investment income. Generally, income and loss amounts are netted together *within their category* and cannot fall below zero. That is, losses from passive activities can offset income from other passive activities but such losses cannot offset either gains attributable to the disposition of property or interest, dividends, annuity income, royalty and rental income. There is, however, an exception to this rule for losses attributable to the disposition of property that will be discussed later. Understanding more the composition of these three categories and the statutory definitions of what is included in each category is vital to recognizing effective tax planning opportunities for your clients.

Gross Income from Interest, Dividends, Annuities, Royalties, and Rents

The first category, gross income from interest, dividends, annuities, royalties, and rents, are the types of income usually thought of as "investment" income. However, as noted above, this does not include tax-exempt interest. There are also exceptions for certain interest, dividends, annuities, royalties and rents that are earned in the ordinary course of a business (excluding the trading of financial instruments or commodities) provided the individual is not considered a passive investor of the business.

The rules, described in Regulation §1.1411-4, can get complex but there are relief provisions, particularly for some self-employed individuals. An individual whose primary business is loaning money and collecting interest may be able to exclude this interest income from investment income for the purposes of the NIIT. However, an individual whose business primarily provides legal services cannot exclude interest earned on the business's working capital from the definition of investment income. Aside from this narrow exception, gross income from interest, dividends, annuities, royalties and rents are generally included in investment income as one would expect.

Planning ideas surrounding this category of investment income are somewhat limited. Tax-exempt bond interest may yield higher after-tax returns for NIIT paying individuals. Therefore, an individual's exposure to the NIIT should be communicated to their investment advisors so the most tax-efficient asset allocation can be considered.

Passive Activities

The second category of investment income, other gross income derived from a passive activity or a trade or business of trading financial instruments or commodities, is where things become more challenging. Essentially, *all income* derived from a passive activity is included in investment income. Expanding the previous example, a passive partner in a law firm will include as investment income his or her entire portion of income earned by the business, including ordinary income. This provision may effectively include all of the income earned from partnership and S-corporation investments. Accordingly, examination of whether an individual's activities rise to the nonpassive level is increasingly important for NIIT planning.

IRC Section 469 lays out the passive activity rules for determining whether an individual is passive with regard to an activity. The rules, in general, only allow individuals to deduct passive losses up to the amount of passive income earned during the year. Any unused losses are carried forward to the next year, where the suspended losses are again subject to the same limitation. In order for an activity to be considered nonpassive, an individual must prove they "materially participate" in the activity by passing at least one of seven different tests from the regulations. Most of the tests consider the hours the individual participated in the activity. Rental real estate activities are by default deemed passive and individuals have more stringent requirements which must be met before their rental activities can escape passive treatment. Previously, passive treatment was only significant for individuals with passive losses in excess of passive income. However, the NIIT puts a new focus on the passive activity rules for taxpayers with net passive income, as this income will now be subject to the additional 3.8% tax. Reviewing your clients' participation levels in their activities, evaluating prior passive activity grouping elections and considering new groupings may unveil opportunities to reduce NIIT exposure. While these grouping elections are often irrevocable, NIIT regulations allow a taxpayer to regroup their activities in the first year in which they meet their applicable MAGI threshold and have net investment income. It is also important to note that once an activity escapes passive treatment, a portion of its income may still be included as investment income depending on its character (interest, dividends, rents, royalties).

Sale and Dispositions of Property

The final category of investment income, net gain attributable to the disposition of property, includes capital gains from the sale of investment securities, and gains resulting from the sale of partnership and S-corporation interests and passive rental properties. However, similar to the exception for interest, dividends, rents and royalties earned in the ordinary course of a trade or business by a nonpassive taxpayer, there is also a similar exception for gains from the disposition of property. Gains that are derived from property held in a trade or business (which is not the trading of financial instruments or commodities) which is not a passive activity of the taxpayer are not included in investment income. For example, in the case of a doctor's office that sells an MRI scanner and incurs a gain, such gain will not be included in investment income by the nonpassive partners.

Additionally, losses attributable to the disposition of property have the unique ability to offset income from the other two categories of investment income in certain situations. Keeping in mind that no category of investment income can fall below zero, losses from the disposition of property that are currently allowed to reduce a taxpayer's income for regular tax purposes are allowed to offset investment income from the other two categories for NIIT purposes. For example, assume a taxpayer has $10,000 of interest income, $20,000 of capital gains and $25,000 of capital losses from the sale of stock. All of the income(loss) is investment income for NIIT purposes with the $10,000 of interest income falling into a different category than the net $5,000 capital loss. Since categories cannot be reduced below zero, it is possible that the taxpayer in this example would not get benefit from the net capital loss and would have to report the full $10,000 of interest income as net investment income. However, as the taxpayer would be allowed to deduct $3,000 of the net capital loss for regular tax purposes, for NIIT purposes, $3,000 of net capital loss may be used to offset the $10,000 of interest income. The unused $2,000 of capital losses will carry forward to the next year for NIIT purposes as well as regular tax purposes. This ability of capital losses to offset other types of investment income becomes even more beneficial when an individual has capital gain income from trade or business assets which is excluded from investment income for NIIT purposes and offsetting capital losses which are considered investment income for NIIT purposes.

More complex rules apply to the sale of partnership or S-corporation interests that are nonpassive to the individual (gains from the sale of passive ownership interests are entirely included in investment income). In general, the amount of gain (or loss) included in investment income is the lesser of: the seller's overall gain or loss determined for regular tax purposes, or the seller's share of hypothetical gain or loss that would be included in investment income because the assets were not held in a trade or business or the activity was passive to the seller. In order to determine the hypothetical gain under these rules, a full valuation of the business's assets and the business's inside tax basis in all of its assets would be required. Fortunately, however, the final regulations provide an optional simplified calculation method for taxpayers that meet certain requirements. The optional simplified method requires a seller to multiply their gain or loss for regular tax purposes by a specified ratio to determine the portion of gain includable in investment income. To qualify for use of the optional simplified method, the taxpayer's gain on disposition must be less than $250,000. If the taxpayer's gain exceeds this amount, but is less than $5,000,000, there are additional requirements that must be met before the optional simplified method can be used. Keep in mind, these specific provisions related to the disposition of partnership and S-corporation interests are still in proposed format and may be subject to additional changes.

(Continued on Page 6)

Understanding and Planning for the New Net Investment Income Tax

By: Mark Sobel, JD, LLM, CPA & Chris Catarino, CPA

(Continued from page 5)

Finally, as investment income does not include income that is deferred or excluded, installment sales and IRC Section 1031 transactions of like-kind property may become even more advantageous, as the NIIT tax would be deferred (along with any other regular tax on such gains). Additionally, individuals not normally above their applicable MAGI thresholds, but would otherwise be subject to the tax on account of increased MAGI from the sale of their business, may be able to permanently exclude this gain from the NIIT by recognizing it over several years if it keeps their MAGI below their applicable threshold. However, in these cases it is important not to let the tax tail wag the dog. The terms of the sale of a business should always be a business decision rather than a tax decision. However, this planning may be useful for individuals already leaning toward installment or other deferral strategies.

Trusts, Estates and the Net Investment Income Tax

The mechanics of the NIIT for trusts and estates are very similar to those for individuals. However, two key differences are discussed below.

For trusts and estates, the 3.8% tax is imposed on the *lesser of:*

a) Undistributed net investment income or
b) The excess (if any) of AGI over the applicable threshold amount.

In contrast to individuals, the applicable AGI threshold is dramatically lower for trusts and estates. For trusts and estates the threshold is equal to the dollar amount at which the top tax rate applies for that year; for 2013 this amount is $11,950. While this amount is indirectly adjusted for inflation, it is still significantly lower than the statutory $200,000 and $250,000 thresholds individuals face. The second difference is that only *undistributed* investment income may have the surtax imposed on it. This opens up many planning opportunities discussed below. However, other than these two differences, the same rules which apply to individuals also apply to trusts and estates. Interests, dividends, rents, royalties, income from passive activities and gains from the disposition of property collectively represent investment income.

The one major planning opportunity trusts and estates have is the ability to distribute income and remove it from the calculation of investment income. Investment income which is distributed to beneficiaries who individually fall below their applicable MAGI thresholds (which are significantly higher) will pass through the trust or estate NIIT-free and will remain NIIT-free at the individual level as well. For trusts or estates with multiple beneficiaries, the ability to spray income out to all of the beneficiaries can significantly reduce the NIIT at the trust or estate level without substantially increasing any one beneficiary's MAGI. While this strategy can help to reduce estate or trust level NIIT on distributable investment income, capital gains (trust principal) which cannot be distributed will still be subject to the NIIT at the trust or estate level.

For trusts and estates with beneficiaries subject to the NIIT, reconsidering asset allocation and investment strategies with your investment advisor may be beneficial. Income generating investments such as taxable interest paying bonds or dividend paying stocks may yield a higher after-tax return when distributed than growth stocks which are taxed at the trust or estate level when sold. While these income distributing strategies can significantly reduce NIIT exposure, they should be weighed against their costs (loss of asset protection, loss of estate tax or GST protection) before being implemented.

It is also important to note the NIIT is not imposed on grantor trusts. As income from these trusts is reported directly on the grantor's individual return, the income is subject to the NIIT only at the individual level. Additionally, the NIIT is not imposed on IRC Section 501 tax-exempt trusts. However, distributions from these trusts may be included as investment income for in beneficiary's NIIT calculation.

Final Thoughts

While the NIIT is already upon us, planning can still be done to reduce the 3.8% surtax. For trusts and estates, consider distributing investment income to beneficiaries that fall below their applicable NIIT MAGI threshold. Do not forget that the 65-day rule can be elected if distributions cannot be made before the end of 2013. Under this provision, distributions made by March 6, 2014 can be considered as being made in 2013.

In planning for individuals, first determine whether the NIIT is being imposed on investment income or the individual's excess MAGI. This will help define the scope of potential NIIT planning strategies. For individuals with a lower excess MAGI than investment income, consider ways to defer income (including non-investment income) into lower income years or methods to accelerate deductions in arriving at AGI into the current year. Properly planned installment sales can also have the potential to permanently exempt income from the NIIT when the individual's MAGI will remain under their applicable threshold amount in succeeding years under the installment arrangement. On the other hand, reporting the entire gain in the year of sale will most likely cause the individual's MAGI to increase and expose some of their income to the NIIT.

For individuals with less investment income than excess MAGI, only investment income reducing strategies will reduce NIIT exposure. One of the most significant areas of consideration should be the classification of activities as passive or nonpassive. Any income producing activities that can be treated as nonpassive by virtue of grouping elections or increased participation can reduce or eliminate the NIIT.

However, this area must be reviewed strategically as grouping elections are often irrevocable and participation levels are frequently scrutinized by the IRS. It is important to keep in mind that, under the proposed regulations, individuals, trusts and estates are allowed a one-time opportunity to regroup their activities in the first year in which the individual or entity has net investment income and their MAGI exceeds the applicable threshold.

Reviewing a client's 2013 exposure to the NIIT can go a long way in eradicating unwanted surprises. Take proactive steps to determine their possible exposure and communicate your client's potential issues on a timely basis. Bear in mind, happy clients make happy advisors, so remember to plan for the NIIT throughout the year.

Mark Sobel is a shareholder at Drucker & Scaccetti, a tax and business advisory consulting firm.

Chris Catarino, CPA is an associate at Drucker & Scaccetti and is currently working towards a Masters of Taxation degree at Villanova University.

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EFPC of SNJ Members in the News

Steven Mignogna Reappointed Chair of American Bar Association Group

Steven K. Mignogna, Chair of the Estate and Trust Litigation Practice at Archer & Greiner P.C., has been reappointed to a second term as Chair of the Litigation, Ethics and Malpractice Group of the American Bar Association (ABA).

As Chair of the ABA Group, Mr. Mignogna has overall leadership responsibility. Among its activities, the Group:

- Reviews national developments related to trust, estate and fiduciary litigation matters;
- Addresses ethics and malpractice issues affecting trust and estate lawyers;
- Educates members on national trends through efforts such as continuing legal education programs and articles; and
- Analyzes litigation, ethics and malpractice disputes that impact estate planning, administration or any other litigation or controversy.

Mr. Mignogna has been active in the Litigation, Ethics and Malpractice Group for many years, including having previously served as Vice Chair for two years. He is also former Chair of the ABA's Probate and Fiduciary Litigation Committee, which, like the Group, are part of the ABA's Section of Real Property, Trust & Estate Law.

The ABA is one of the world's largest voluntary professional organizations, with nearly 400,000 members and more than 3,500 entities. It is committed to improving the legal profession, eliminating bias and enhancing diversity, and advancing the rule of law throughout the United States and around the world.

Mr. Mignogna, of Voorhees, N.J., is a Partner and shareholder in Archer & Greiner's Haddonfield office. He focuses his practice on commercial litigation, with a concentration on probate matters, estates, fiduciaries, guardianships and real estate. He has lectured and published extensively both locally and nationally. Mr. Mignogna is principal author of the treatise, *Estate and Trust Litigation*, and editor and contributing author of *The New Jersey Estate Planning Manual* and *The New Jersey Probate Procedures Book*, all published by the New Jersey Institute for Continuing Legal Education.

Anthony La Ratta Reappointed Chair of American Bar Association Committee

Anthony R. La Ratta, Partner with the law firm of Archer & Greiner P.C., has been reappointed as Chair of the Probate & Fiduciary Litigation Committee of the American Bar Association (ABA).

As Chair, Mr. La Ratta has overall leadership responsibility for the Committee, which reviews developments related to estate and trust litigation, studies and analyzes selected issues and specific evidentiary questions, provides members with information on these topics, and participates in and sponsors continuing legal education (CLE) programs.

The Probate & Fiduciary Litigation Committee is within the ABA's Real Property, Trust and Estate Law Section, which includes nearly 25,000 U.S. and international lawyers, paralegals, real estate and financial services professionals, law students and legal educators. The ABA is one of the world's largest professional associations, with nearly 400,000 members and more than 3,500 member entities.

Mr. La Ratta, a resident of Washington Township in Gloucester County, N.J., is based in Archer & Greiner's Haddonfield, N.J., office, where he concentrates his practice in the area of commercial litigation with an emphasis on probate matters, estates, trusts, guardianships and fiduciaries. He has represented institutions and individuals in a variety of contexts and has handled cases involving will contests, undue influence, diminished capacity and accountings of estates and trusts. He is a court-approved mediator for New Jersey probate cases. In addition to his ABA position, Mr. La Ratta's extensive civic involvement includes having served as President of the Estate and Financial Planning Council of Southern New Jersey (EFPCSNJ).

EFPC of SNJ Members in the News

Steven K. Mignogna presented "Seven Deadly Claims" at American Law Institute Continuing Legal Education Group

Steven K. Mignogna presented "Seven Deadly Claims" at the American Law Institute Continuing Legal Education Group (ALI-CLE), "Representing Estate and Trust Beneficiaries and Fiduciaries" in Chicago, IL on July 24, 2014.

Mr. Mignogna discussed claims involving estates and trusts that are unique yet growing around the country. This presentation was part of a program with nationally-recognized experts in their exploration of developments in the estate and trust world on topics of interest to estate and trust beneficiaries and fiduciaries across the United States.

Mr. Mignogna is a shareholder in the Litigation Department of Archer & Greiner. He specializes in commercial litigation, with a concentration on litigation involving probate matters, estates, trusts, gifts, fiduciaries, guardianships, and real estate. Chair of the firm's Estate and Trust Litigation Group, Mr. Mignogna is a frequent presenter on fiduciary litigation and related topics for bar, financial planning and other professional associations and organizations. For more information about the seminar, visit www.ali-cle.org.

Anthony La Ratta Presented "Anatomy of a Will Contest: How to Succeed at Trial"

This live webinar was intended to provide you with information on the strategies involved in contesting wills. The webinar will cover: the common grounds to contest a will; best practices in investigating and gathering evidence; issues in estate administration while the will contest proceeding is pending; and trial tactics and evidence issues. Armed with these insights and knowledge, a litigator has an advantage in approaching the complicated and emotional world of estate litigation - and winning.

Anthony La Ratta participated in NJSBA "Contested Guardianships" Seminar

Anthony R. LaRatta, Partner in Archer & Greiner's Estate and Trust Litigation Group, spoke on "Contested Guardianships: Effective Strategies to Quickly and Confidently Handle These Challenging Situations", on July 21, 2014. The seminar was presented by the New Jersey State Bar Association Real Property, Trust & Estate Law Section and covered skills needed to properly and confidently handle contested guardianships, including:

- Trial Techniques that work
- How to Craft an overall trial strategy
- Ethics Concerns
- How to deal with procedural conflicts between Probate Rules and Rules of Civil Procedure.
- How to protect your client's privacy and confidentiality concerns
- Court preferences for guardians
- Issues surrounding the appointment of a guardian

Mr. LaRatta concentrates his practice in the area of commercial litigation, with an emphasis in litigation involving probate matters, estates, trusts, guardianships and fiduciaries. For more information on upcoming NJSBA seminars, visit their website at www.njsba.com

Anthony La Ratta discusses "Estate and Trust Fiduciary Litigation: Minimizing and Defending Breach of Duty Claims."

On Tuesday, July 15, 2014 Anthony R. LaRatta presented via webinar. This CLE webinar provided guidance to estate planning counsels on minimizing and defending breach of fiduciary duty claims when administering trusts and estates. The panelists discussed the most contentious breach oif duty claims and effective defenses and techniques to reduce the possibility of a lawsuit.

EFPC of SNJ Members in the News

Martin H. Abo, was cited in the newsletter for Athene Annuity on steps to take in tax strategizing and planning early on for year end 2014 and on the horizon for 2015.

On August 19, 2014, Martin Abo, CPA/ABV/CVA/CFF was a lecturer for the National Business Institute's program entitled *"Forensic Accounting 101 for Attorneys"*. Marty was flanked by an esteemed and highly regarded colleague, Joseph Cipolla, CPA/ABV/CFE/CFF/PFS. They were joined by Vincent Gentile, Esq., a partner of the Commercial Litigation Practice Group of the law firm of Drinker Biddle & Reath LLP who spoke to the ethical standards.

Philadelphia SmartCEO Announces Martin Abo, CPA Won its 2014 Power Players Award for "Accountant of the Year"

Top accountants, attorneys and bankers in the Philadelphia region were recognized in SmartCEO's Power Player Awards

Philadelphia publisher, SmartCEO, is pleased to announce that Martin H. Abo, CPA has been selected as "Accountant of the Year" for its prestigious 2014 Power Player Awards. Abo, and other highly respected professionals who were finalists, represent the best and brightest in the region — the impact players that any CEO can count on to help them grow their business.

SmartCEO's award-winning editorial team evaluated the applications and chose the Power Players based on the quality of nominations submitted. Abo and the other Top Players were profiled in the September/October issue of SmartCEO magazine and celebrated at a gala event and awards ceremony. The awards were presented to accountants, attorneys and bankers that have made an outstanding impact on their clients' businesses.

"Where would businesses be without their trusted advisors? If not for accountants, attorneys, and bankers, many businesses — from start-ups to Fortune 500 companies — would be at a loss. Our Power Players finalists, especially the winners, demonstrate expertise in their fields and have gone above and beyond to ensure the success of their clients," says Rick Crane, regional president of SmartCEO Media. *"SmartCEO is honored to share their stories of dedication to helping our region's businesses achieve their goals."*

The Power Players Awards program recognizes greater Philadelphia's top accountants, attorneys and bankers for privately held companies. The finalists were recognized in unique categories for their leadership, accomplishments, innovation and success.

If you have received a professional designation, been promoted or received a civic or business award and would like to be included in this section please send the information to Abby Murray at efpcsnjmbrsvcs@bowermanagementservices.com

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of Southern New Jersey, Inc.
PO Box 460 • Collingswood, New Jersey 08108
P: 856-795-0551 • F: 856-210-1619 • efpcsnj@mail.com • www.EFPCSNJ.org

2014-2015 DUES

Description	Amount
Individual Member @ $150 *Discount Special $135 until September 30th.	
Corporate Members – first 4 members @ $150 *Discount Special $135 until September 30th.	
Corporate Members – 5th member and more @ $100	
Total	

*Save $15 on dues paid on or before 9/30/14 × $150 for dues paid after 10/1/14
Please make check payable to EFPCSNJ and mail to: PO Box 460, Collingswood, NJ 08108
You can renew online and pay by credit card by going to the EFPCSNJ website (www.efpcsnj.org) and click "Member Renewal" on the left hand menu bar. An email with your username and password will be emailed to you on Wednesday, August 27th, 2014 with other renewal information. If you have questions or would like your username and password, please contact Abby Murray at efpcsnjmbrsvcs@bowermanagementservices.com or 856-795-0551

BENEFITS OF MEMBERSHIP

Access to National web site and all it's resources
Quality speakers at the meetings
Great networking opportunities
Continuing education credits at every meeting
Access to great resources through the membership directory

CONTACT INFORMATION

Member:____________________________________

Nickname:____________________________________

Discipline**:____________________________________

Title:____________________________________

Company:____________________________________

Address:____________________________________

City:__________________ State:______ Zip_______:

Phone:__________________ Fax:__________________

E-mail: __________________________

Website:

**Discipline:		
Attorney	Accounting	Financial Planning
Insurances	Reverse Mortgage Consultant	Trust Officer
Other (please explain)		

SAMUARI PLANNING - CUTTING EDGE CONCEPTS FOR 2015

Date: Thursday, September 18 2014

Location: Tavistock Country Club, 100 Tavistock Lane, Haddonfield, NJ 08033

Speakers: Gary DeVicci, MSFS, CFP®, Kevin DiMedio, Esq., David Gill, CPA/PFS, CFP®

From Baby-Boomers to Boomerangers. From the merely successful to the mega- wealthy. This session is a primer on current success strategies for wealth accumulation, preservation and transfer.

This Meeting is generously sponsored by:

SeniorWise
Care Management

Sponsorship Opportunities are Still available -
Do not miss this opportunity to sponsor an EFPCSNJ Event - Call 856-795-0551 Today!

We are applying for this meeting to qualify for the following CE credits: 1.5 CPE credit (for CPAs), 1.5 CFP credits, PA CLE credits, NJ CLE credits

THANK YOU TO OUR CLE SPONSOR:

CAPEHART SCATCHARD
ATTORNEYS AT LAW

September Meeting Registration Form

NAME: ______________________________ Member ___ Guest ___

COMPANY: ______________________________

PHONE: ______________ EMAIL: ______________________

NAME: ______________________________ Member ___ Guest ___

COMPANY: ______________________________

PHONE: ______________ EMAIL: ______________________

Member: $50 Guest: $65 Enclosed is my check for $________ payable to:

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ONLINE REGISTRATION OPTION: Register online at the EFPC of SNJ website (www.efpcsnj.org) and pay with a credit card. This option is fast, easy, secure and convenient

2014-2015 Council Executive Board

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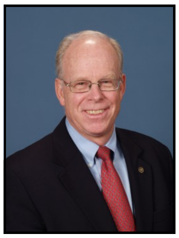
Yasmeen S. Khaleel, Esq.
Capehart & Scatchard



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Council Sponsorship

Becoming a Council sponsor is a great way to support the Council and promote your company's commitment to the financial services profession.

Gold Sponsor – $475
~ A 1/4 page ad in every newsletter.
~ A link to your company's web site on the patrons page of the Council's web site.

Silver Sponsor – $300
~ A business card size ad in every newsletter.

Exclusive Meeting Sponsorship – $750
~ Company name on all meeting notices.
~ Attendance for 2 at the event.
~ Display of materials promoting your firm.
~ Verbal recognition at the event.
~ Five minutes at the start of the program to speak to the Attendees.
~ You will be the only sponsor at the event.
~ Honorary membership in the Council for current membership year.

Meeting Sponsor – $400
~ Company name on all meeting notices.
~ Attendance for 2 at the event.
~ Display of materials promoting your firm.
~ Verbal recognition at the event.
~ Multiple sponsors for the event
~ Honorary membership in the Council for current membership year.

For more information contact Tim Bower at EFPCSNJ@mail.com

Tim Bower, CAE

Executive Director

PO Box 460

Collingswood, NJ 08108

Phone: 856-795-0551

Fax: 856-210-1619

Estate & Fiancial Planning Council of Southern New Jersey

Membership Application

Apply online at www.EFPCSNJ.org

Name: ____

Title: ____

Company: ____

Address: ____

____

Phone: ______________________ Fax: ___________________

Email: ____

I am actively engaged in estate and/or financial planning in ____________________ county for ________ years.

I hold a license or designation/certification and am a member in good standing in the following disciplines: ________ Attorney ________ CPA ________ CFP ________ ChFC ________ CLU ________ CTFA or qualified professional employed in tax, trust or estate practice by a financial services firm. Other: I have a

____

certification/designation and my primary area of practice is:

____

Signature: ______________________ Date: ___________________

Recommended by Member: ____
(please print)

Signature of Member: ____

Membership cost: $150 per year. You can also submit your membership application online at www.efpcsnj.org. Corporate membership is available.

Tim Bower, CAE

Executive Director

PO Box 460
Collingswood, NJ 08108
Phone: 856-795-0551
Fax: 856-210-1619

Estate & Fiancial Planning Council of Southern New Jersey

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Call for Articles

Please consider submitting an article for inclusion in future newsletter issues. We are now seeking articles for the EFPCSNJ newsletters.

Articles should be between 1,200 and 2,000 words

which is usually three to six typed pages.

Submissions should be sent as a word document to Abby Murray at efpcsnjmbrsvcs@bowermanagementservices.com.

This is a great way to get involved with EFPCSNJ and to share knowledge and information with the rest of the members.

To view recent newsletters please visit the EFPCSNJ website (www.efpcsnj.org) and go to Documents.