



New York Wills & Trusts

March 2018

(v.18.01)

Legal Developments

Increased Federal Tax Exemptions (effective January 1, 2018)

The Tax Cuts and Jobs Act of 2017 doubled the Applicable Exclusion Amount and the GST Exemption Amount by increasing the statutory basic amount from \$5,000,000 to \$10,000,000. After taking into account indexing for inflation under §1(f), the amount for 2018 under the Chained CPI calculations has finally been determined by the IRS to be \$11.18 million per taxpayer. Rev. Proc. 2018-18, Section 3.35. This directive is scheduled for publication on March 5, 2018, and puts to rest the uncertainty over the long awaited number.

Because of future changes to that exclusion, including a potential adjustment as the Chained CPI numbers “become final,” the Law & Strategy and synopsis have been generalized by using “about \$11 million” as the reference number for the AEA and GST Exclusions. This should be close enough for most clients, for whom these concepts are inherently fuzzy anyway.

Likewise, the Gift Tax Annual Exclusion Amount was scheduled to rise to \$15,000 (after being stuck at \$14,000 for years), which was confirmed by the IRS in a separate news release (<https://www.irs.gov/businesses/small-businesses-self-employed/whats-new-estate-and-gift-tax>).

Updated Product Features

New, Slimmer Complex Joint Trust

In response to requests for less complicated structure for the Joint Revocable Trust, we consolidated all the previously listed asset schedules into one Schedule A. Now, all assets added to the Complex Joint Revocable Trust with separate shares will automatically be divided between the spouses' shares. For those who have come to know and love the Schedule A through D (or E) format, a new question will allow you to reinstate that approach. *New Question 6.*

Adoption Provision Clarified in Definitions

From a customer suggestion, we excluded the testator/rix and Grantor from the operation of the adoption age limitation. It was always the intention for that restriction (a child must be adopted by a certain age to count) to ensure a meaningful relationship with the adopting parent, typically a second or third generation descendant. It was pointed out that it might apply equally to an older child adopted by the testator/rix or Grantor; although such children would likely be named as takers, we removed the restriction for such an adopted child.

New Option to add Subsections in Custom Provisions

In response to customer requests, we added a new subsection option to the 'Add Custom Provision' question at the end of each major section in the Navigator for wills and trusts. This allows the user to add a 3rd level under the level 2 headings (1.1(a), 1.1(b), and so on), and thus provides greater flexibility when drafting documents and creating templates.

As before, you have the option of adding custom text either with or without a section heading. If you wish to create a template from your client answer file, the custom text will automatically become part of that template.

For more information on creating templates see **Creating Templates for Estate-Planning Products** in the **Using Templates** topic by selecting **HELP** from the Lawgic menu. In addition, you may attend one of our monthly template Webinars. [Click here](#) for more information and registration.

New Questions 151, 180, 201, 219, 230, 242, 262, 268, 390, 464, 500, 567, 628, 678, 734, 907, 935, 1031, 1053, 1072, 1104, 1136, 1145, 1151

New Advanced Directives Cover Page

You now have the option to add an "Advanced Directives" cover page when you select more than one DPA document. *Question 1185*

Digital Assets Option Added to Power of Attorney Statutory Short Form

An option to add a digital assets power is included in the modifications paragraph subsection (g) in the Statutory Short Form. *Question 1276*

Software Upgrades

New Functionality for 4K monitors

The Lawgic software can now save a font size up to 50 points (the maximum before was 24). You can now change the font size not only from the font size dialog, but also by selecting 'alt - up arrow' key to raise the font size and 'alt -down arrow' key to decrease the font size.

* * * * *

To view those questions that are new in this update, or where **Law & Strategy**, choices, or default answers have changed, use the "**Up_1801**" flag file. From inside Lawgic, open any existing answer file; on the **Flags** menu, click **Open Flags**, select the appropriate Title (click **OK**), and next select the "**Up_ 1801**" flag file (and click **OK**). To view all flagged questions, click **Expand All** on the **Answers** menu and scroll the Navigator. Flagged questions will be indicated with **blue bold** text.

Please continue to send us your suggestions on existing or new products. Contact our Technical Support Department at 1-877-2-LAWGIC (252-9442) or e-mail us at support@lawgic.com.

Copyright (c) 2018 Lawgic, LLC, a Florida limited liability company ("Lawgic").
All Rights Reserved. Lawgic and Intelligent Legal Technology are registered trademarks of Lawgic, LLC.