



## Blended Families Underscore the Need for Estate Planning

Anyone with children or modest assets should seriously consider some minimal estate planning. The increasing number of blended families underscores the need for proper estate planning.

Blended families can involve children from a prior marriage as well as joint children, sometimes joking referred to as “his, hers and theirs.” And blended families involve both younger and older couples, and nearly everyone in between.

When the new spouse is significantly younger, this sometimes means that the older spouse’s children are close in age to the younger. These relationships can cause more than friction between the step-parent and step-children.

Most parents want to ensure that their assets will pass to their children, not their stepchildren. However, without good estate planning, there is no guarantee that their children will inherit their assets. In fact, if the couple creates common “I love you” wills such that their assets pass to the survivor of them, there is a significant likelihood their children will be totally disinherited.

This is because all of their assets will pass to the surviving spouse to do with as he or she pleases. More often than not this means excluding the stepchildren, who then receive nothing.

The fact that Americans are living longer, and sometimes remarrying much later in life, means that blended family issues come into play there too. A recent USA Today article, titled *With more blended families, estate planning gets ugly*, highlights some of these issues. (The full article is available online at <http://www.usatoday.com/news/parenting-family/story/2012-03-13/With-more-blended-families-estate-planning-gets-ugly/53516094/1?csp=34news>.)

As this article states, “[a]dd the gaping generational divide between Depression-era parents, who valued frugality above all else, and their Baby Boomer children, who relish self-reward, and the dynamics can be explosive.”

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### Community Corner

新年快樂! Rodnunsky & Associates is happy to join the community in celebrating the Chinese New Year. Roxanne Jen speaks both Mandarin and (cont’d p. 2...)



### Upcoming Seminar Schedule:

February 26<sup>th</sup>, Thursday 6pm  
**Blended family protection planning – 2<sup>nd</sup> marriage?** Children from prior marriage? Strategies for protecting all parties. [RSVP Here](#)

March 26<sup>th</sup>, Thursday 6pm  
**Basic protection planning** all families should have in place: trusts, wills, powers of attorney – who, what, why & how. [RSVP Here](#)

Location at Rodnunsky & Associates conference Room. Seminars are complimentary. Kindly RSVP as seating is limited. Please call 650-285-5400 \*103 or email [hermelinda.lunardelli@rodnunskylaw.com](mailto:hermelinda.lunardelli@rodnunskylaw.com).

## Estate Planning, Administration & Distribution

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Thus, baby boomer children expecting an inheritance may have to wait much longer than expected. But perhaps more difficult, who should pay for the cost of the surviving spouse's care? Should the stepchildren be forced to use their inheritance to pay for an aging step-parent's care, particularly after only a short-term marriage? Or should this burden fall on the children?

There is no one right answer here, but these questions epitomize the many questions that arise with blended families. These questions should be answered with the help of counsel and proper planning.

This type of planning can become complicated and should not be attempted without the assistance and counseling of an experienced attorney. We are here to answer your questions about trust-based asset protection strategies and advise you on planning options. Please feel free to call our office now.

*This newsletter is for informational purposes only and is not intended to be construed as written advice about a Federal tax matter. Readers should consult with their own professional advisors to evaluate or pursue tax, accounting, financial, or legal planning strategies.*

#### **What We Do:**

- ✓ Family Limited Partnerships (FLP)
- ✓ Legacy Trusts (ILIT)
- ✓ Intentionally Defective Grantors Trusts (IDGT)
- ✓ Qualified Personal Residence Trusts (QPRT)
- ✓ Charitable Remainder Trusts (CRUT, CRAT)
- ✓ Dynasty Trusts
- ✓ Asset Protection Trusts
- ✓ Business Succession Planning
- ✓ Buy/Sell Agreements
- ✓ Special Needs Trusts
- ✓ Other methods of advanced estate planning and document preparation

#### **Chinese New Year Facts**

- ✓ It originated in 2600 B.C. and is based on the lunar calendar.
- ✓ The traditional celebration lasts 15 days.
- ✓ It symbolizes new beginnings and a good time for spring-cleaning.
- ✓ The red paper decorations often represent happiness, good fortune, longevity and wealth.
- ✓ Traditional food includes fish and crab apple treats on a stick.
- ✓ Fire crackers are popular, believed to ward off evil spirits.
- ✓ It is common for families to stay up until midnight to greet the new year- a practice known as Shou Sui.

#### **Community Corner (continued)**

Cantonese. She enjoys the festivities associated with the celebration. "As a child," Roxanne shared, "I always looked forward to spending time with family and friends". The coming of the New Year is a great time to revisit planning associated with protecting family and assets.

## **Estate Planning, Administration & Distribution**

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