Gary Stanislawski, CFP®

Denise A. Lant, CFP®

Kraig McFarland RFC®, CRPC®

Jason Sauer, Financial Advisor

Regent Financial Services

January 2019

Famous People Who Failed to Plan Properly

It's almost impossible to overstate the importance of taking the time to plan your estate. Nevertheless, it's surprising how many American adults haven't done so. You might think that those who are rich and famous would be way ahead of the curve when it comes to planning their estates properly, considering the resources and lawyers presumably available to them. Yet there are plenty of celebrities and people of note who died with inadequate (or nonexistent) estate plans.

Most recently

The Queen of Soul, **Aretha Franklin,** died in 2018, leaving behind a score of wonderful music and countless memories. But it appears Ms. Franklin died without a will or estate plan in place. Her four sons filed documents in the Oakland County (Michigan) Probate Court listing themselves as interested parties, while Ms. Franklin's niece asked the court to appoint her as personal representative of the estate.

All of this information is available to the public. Her estate will be distributed according to the laws of her state of residence (Michigan). In addition, creditors will have a chance to make claims against her estate and may get paid before any of her heirs. And if she owned property in more than one state (according to public records, she did), then probate will likely have to be opened in each state where she owned property (called ancillary probate). The settling of her estate could drag on for years at a potentially high financial cost.

A few years ago

Prince Rogers Nelson, who was better known as **Prince,** died in 2016. He was 57 years old and still making incredible music and entertaining millions of fans throughout the world. The first filing in the Probate Court for Carver County, Minnesota, was by a woman claiming to be the sister of Prince, asking the court to appoint a special administrator because there was no will or other testamentary documents. As of November 2018, there have been hundreds of court filings from prospective heirs, creditors, and other "interested parties." There will be no private administration of Prince's estate, as the entire ongoing proceeding is open and available to anyone for scrutiny.

A long time ago

Here are some other notable personalities who died many years ago without planning their estates.

Pablo Picasso died in 1973 at the ripe old age of 91, apparently leaving no will or other testamentary instructions. He left behind nearly 45,000 works of art, rights and licensing deals, real estate, and other assets. The division of his estate assets took six years and included seven heirs. The settlement among his nearest relatives cost an estimated $30 million in legal fees and other related costs.

The administration of the estate of **Howard Hughes** made headlines for several years following his death in 1976. Along the way, bogus wills were offered; people claiming to be his wives came forward, as did countless alleged relatives. Three states — Nevada, California, and Texas — claimed to be responsible for the distribution of his estate. Ultimately, by 1983, his estimated $2.5 billion estate was split among some 22 "relatives" and the Howard Hughes Medical Institute.

Abraham Lincoln, one of America's greatest presidents, was also a lawyer. Yet when he met his untimely and tragic death at the hands of John Wilkes Booth in 1865, he died intestate — without a will or other testamentary documents. On the day of his death, Lincoln's son, Robert, asked Supreme Court Justice David Davis to assist in handling his father's financial affairs. Davis ultimately was appointed as the administrator of Lincoln's estate. It took more than two years to settle his estate, which was divided between his surviving widow and two sons.

REGENT FINANCIAL SERVICES

See disclaimer on page 2

Key Retirement and Tax Numbers for 2019

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual. To determine which investment(s) may be appropriate for you, consult your financial advisor prior to investing. All performance referenced is historical and is no guarantee of future results. All indices are unmanaged and cannot be invested into directly.

The information provided is not intended to be a substitute for specific individualized tax planning or legal advice. We suggest that you consult with a qualified tax or legal advisor.

LPL Financial Representatives offer access to Trust Services through The Private Trust Company N.A., an affiliate of LPL Financial.

Securities offered through LPL Financial. Member FINRA/SIPC. Advisory Services offered through Drawbridge Capital, LLC, A Registered Investment Advisor and wholly owned subsidiary of Regent Financial Services.

Drawbridge Capital and Regent Financial Services are separate entities from LPL Financial.

Every year, the Internal Revenue Service announces cost-of-living adjustments that affect contribution limits for retirement plans and various tax deduction, exclusion, exemption, and threshold amounts. Here are a few of the key adjustments for 2019.

Employer retirement plans

- Employees who participate in 401(k), 403(b), and most 457 plans can defer up to $19,000 in compensation in 2019 (up from $18,500 in 2018); employees age 50 and older can defer up to an additional $6,000 in 2019 (the same as in 2018).
- Employees participating in a SIMPLE retirement plan can defer up to $13,000 in 2019 (up from $12,500 in 2018), and employees age 50 and older can defer up to an additional $3,000 in 2019 (the same as in 2018).

IRAs

The combined annual limit on contributions to traditional and Roth IRAs increased to $6,000 in 2019 (up from $5,500 in 2018), with individuals age 50 and older able to contribute an additional $1,000. For individuals who are covered by a workplace retirement plan, the deduction for contributions to a traditional IRA is phased out for the following modified adjusted gross income (AGI) ranges:

	2018	2019
Single/head of household (HOH)	$63,000 - $73,000	$64,000 - $74,000
Married filing jointly (MFJ)	$101,000 - $121,000	$103,000 - $123,000
Married filing separately (MFS)	$0 - $10,000	$0 - $10,000

Note: *The 2019 phaseout range is $193,000 - $203,000 (up from $189,000 - $199,000 in 2018) when the individual making the IRA contribution is not covered by a workplace retirement plan but is filing jointly with a spouse who is covered.*

The modified AGI phaseout ranges for individuals to make contributions to a Roth IRA are:

	2018	2019
Single/HOH	$120,000 - $135,000	$122,000 - $137,000
MFJ	$189,000 - $199,000	$193,000 - $203,000
MFS	$0 - $10,000	$0 - $10,000

Estate and gift tax

- The annual gift tax exclusion for 2019 is $15,000, the same as in 2018.
- The gift and estate tax basic exclusion amount for 2019 is $11,400,000, up from $11,180,000 in 2018.

Kiddie tax

Under the kiddie tax rules, unearned income above $2,200 in 2019 (up from $2,100 in 2018) is taxed using the trust and estate income tax brackets. The kiddie tax rules apply to: (1) those under age 18, (2) those age 18 whose earned income doesn't exceed one-half of their support, and (3) those ages 19 to 23 who are full-time students and whose earned income doesn't exceed one-half of their support.

Standard deduction

	2018	2019
Single	$12,000	$12,200
HOH	$18,000	$18,350
MFJ	$24,000	$24,400
MFS	$12,000	$12,200

Note: *The additional standard deduction amount for the blind or aged (age 65 or older) in 2019 is $1,650 (up from $1,600 in 2018) for single/HOH or $1,300 (the same as in 2018) for all other filing statuses. Special rules apply if you can be claimed as a dependent by another taxpayer.*

Alternative minimum tax (AMT)

	2018	2019
Maximum AMT exemption amount		
Single/HOH	$70,300	$71,700
MFJ	$109,400	$111,700
MFS	$54,700	$55,850
Exemption phaseout threshold		
Single/HOH	$500,000	$510,300
MFJ	$1,000,000	$1,020,600
MFS	$500,000	$510,300
26% rate on AMTI* up to this amount, 28% rate on AMTI above this amount		
MFS	$95,550	$97,400
All others	$191,100	$194,800
*Alternative minimum taxable income		

Credit: National Heart, Lung and Blood Institute, WebMD

Recipe: Salmon Cake

...

Servings: 15 • Size: 1 cake • Calories: 87 • Fat: 3 g • Protein: 7 g • Carb: 8 g • Fiber: 1 g • Sugar: 1 g
Sodium: 127 mg • Cholesterol: 23 mg

Ingredients

1/2 pound wild Alaskan salmon filet, fresh or frozen (if frozen thaw overnight in the refrigerator)

olive oil cooking spray

1 tbsp olive oil

freshly ground black pepper, to taste

3/4 cup small-diced red onion (1 small onion)

1 1/2 cups small-diced celery (4 stalks)

1/2 cup small-diced red bell pepper (1 small pepper)

1/2 cup small-diced yellow bell pepper (1 small pepper)

1/4 cup minced fresh flat-leaf parsley

1/4 teaspoon hot sauce

1 1/2 tsp Old Bay seasoning

1 cup seasoned bread crumbs

3 tbsp light mayonnaise

3 tbsp fat free Greek yogurt

1 tsp Dijon mustard

1 large egg, lightly beaten

3 large egg whites, lightly beaten

Directions

1. Heat a large pan over medium-high heat; when hot lightly spray with oil and add the salmon. Cook until browned on one side, about 4 to 5 minutes then turn and cook an additional 4 to 5 minutes or until salmon easily flakes. Set aside on a dish to cool.

2. Add the olive oil to the pan, then add the the onion, celery, red and yellow bell peppers, parsley, hot sauce, Old Bay seasoning, 1/2 teaspoon kosher salt, and 1/2 teaspoon pepper in a large pan over medium-low heat and cook until the vegetables are soft, approximately 18 to 20 minutes. Set aside to cool.

3. Flake the salmon into a large bowl. Add the bread crumbs, mayonnaise, yogurt, mustard, and eggs. Add the vegetable mixture and mix well. Cover and chill in the refrigerator for 30 minutes; this will make them easier to shape and become less sticky.

4. Preheat oven to 400°F. Spray a non-stick baking sheet with cooking spray. Shape the batter into 15 (scant 1/4 cup each) cakes and place on prepared baking sheet. Bake about 10 to 12 minutes on each side, or until golden brown.

See disclaimer on page 2

The Annual Update ~ 2019

Please be our guests at our Annual Update 2019 event.
Join Gary Stanislawski, CFP®, Denise Lant, CFP®, and Kraig McFarland, RFC®, CRPC®,
as we discuss risk and opportunities in this new year.

Tuesday, January 29th *or* Thursday, January 31st

6:00pm Registration
6:30pm - 8:00pm Dinner & Presentation

DoubleTree - Warren Place

6110 S. Yale Ave., Tulsa, OK 74136

Please RSVP prior to Tuesday, January 22nd

RegentFS.com/Events or 918-493-4190

REGENT
FINANCIAL SERVICES

Denise A. Lant, CFP®
Financial Planner

Jason F. Sauer
Financial Advisor

We hope you will join us for this educational series:

Retirement Readiness: Three Easy Steps

Please join Denise A. Lant, CFP®, and Jason F. Sauer, for this helpful three part series discussing Social Security, Medicare, and Retirement Planning.

Location: Jenks High School - Central Campus
205 East B Street, Jenks, OK 74037
High School Bldg 6, Room 119

Dates: Tuesday, 2/19, 2/26 & 3/5

Times: 6:30pm - 8:00pm

This three-part series will cover ways to maximize your Social Security income including the best time to apply for your benefits and tax issues. You will also learn about Medicare, with tips on how to integrate it with your existing health coverage and how to manage health care in retirement. The final class will integrate what you have already learned and help you develop a coordinated retirement plan.

To register for this series:

www.JenksCommunityEd.com or
call the Jenks Community Education office: 918-298-0340

REGENT
FINANCIAL SERVICES

Call Us For more details:
918-493-4190