

## Leave A Legacy To Future Generations—On Video

**I**ris Wagner is not a therapist, though she asks a lot of questions, and the parents, grandparents, and children with whom she works almost always gain insight about themselves and each other. And while she helps families plan and ensure their legacies, she's not a financial advisor. Wagner's job—or, she'll assure you, her passion—is making films about her clients' lives to preserve the stories that made them who they are, forever.

Wagner's company, Memoirs Productions

(www.memoirs.ca), is based in Montreal and produces personal and corporate video biographies. Some are lavish, 90-minute videos, entailing months of research and filmed by a large crew on multiple locations over several days—at a cost that begins in the six figures and may go much higher. One client thought it might be nice to have Barbara Walters interview family members, and Wagner said, sure, we can probably get her—“she's retired now, and she must have a day rate.”

Other Memoirs Productions videos, which can be commissioned for \$10,000 or so, are less involved, though no less meaningful to the families for whom they're produced. These are what have become known as ethical will—“a record for posterity,” Wagner says. The subjects of these films talk about their lives, their mentors, the lessons they've learned, and their hopes for the future. “It says, ‘This is me,’” says Wagner.



The idea behind creating an ethical will isn't new, of course. Families have always looked to older members for wisdom and guidance, and family values—often enshrined in old photographs, letters, home movies, newspaper clippings, awards—get passed from generation to generation. In today's hectic world, though, it's easy to lose track of all that. You remember hearing a wonderful story from your grandmother about the day she met your grandfather, but you can't quite recall where they were at the time or what she told you he promised her that very

afternoon when he proposed. Or maybe you had a great time recently with your mom, going through a shirt box full of photos from the 1940s; a picture of your dad got her started on a story you'd never heard

about his first job after the war when he was desperate to get on with his life and put in 80-hour weeks on a construction crew to save the seed money for the family business you run today. But how much of that will you remember when she too is gone? Will you be able to tell the story to your children and grandchildren?

Wagner's goal in crafting family biographies is to make sure the past isn't lost. “This is not an exercise in ego,” she says, “but rather an act of preservation—the most unselfish thing you can do.” Often, a client will make a gift of Wagner's “Legacy of Values” service to an elderly parent or grandparent, inviting the family matriarch, for

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## Make Time for Kindness this Season

**2**016 has certainly been a memorable year, though many of us may be keen to forget it. Between a highly contentious presidential election, the Zika virus, and the Brexit, we've all been through a lot. But, now is an excellent time to refocus on the positive! Here are some tips to end your year on a happy note:

**Volunteer:** Helping others “hands on” is a quick way to shift your outlook. You'll feel rewarded for your time spent, and you'll likely be reminded that, whatever challenges you may be facing, you have a lot to be thankful for. If you're pressed for time, consider making an extra donation to a cause you care about.

**Declutter:** Clean out your closet, or empty your pantry. Donating the items you aren't using to a clothing drive or food bank will help someone in need, and you'll benefit from a clearer, calmer living space.

**Pay it Forward:** A random act of kindness can be a major mood booster! Treat the person behind you in the coffee line, hold the door, or even compliment a stranger's shoes.

**Make merry:** The holidays are here again, which means it's time to reconnect with friends and family. Tell your loved ones how much they matter. Say thank you. Be present. However you celebrate the season, we hope you enjoy it!

Florence Dupont, Ken Gutwillig,  
and Linda Schoenthaler

# Tax Rewards For Year-End Generosity

If you're looking for ways to cut your taxes before the end of the year, consider donating cash or property to a qualified charitable organization. Besides helping out a worthy cause, you can reduce your taxes for 2016, as long as you adhere to the rules. But there are several potential obstacles to overcome.

For starters, you can generally deduct the full amount of cash contributions to charity as long as the total doesn't exceed 50% of your annual adjusted gross income (AGI). (If you give more than that, you can carry the excess forward to future tax years.) But keep in mind, the IRS insists on strict recordkeeping for cash and cash-equivalent donations.

To claim a deduction, you have to be able to provide a bank record or a written communication from a qualified charitable organization, required for gifts of \$250 or more. Such a notification must show the amount of the contribution, the date it was made, and the name of the charitable organization. And you need to have it in hand

by the date you file your return or the date that it's due, plus any extensions.

Things get more complicated if you give gifts of appreciated property. Generally, such donations are limited to 30% of your AGI, with any excess deducted in future years. But if you donate securities that would have produced a long-term capital gain (on investments you'd held for more than a year) if you'd sold them, you can write off the property's fair market value (FMV) on the date of the donation. Otherwise, the deduction is limited to what you paid for the property.

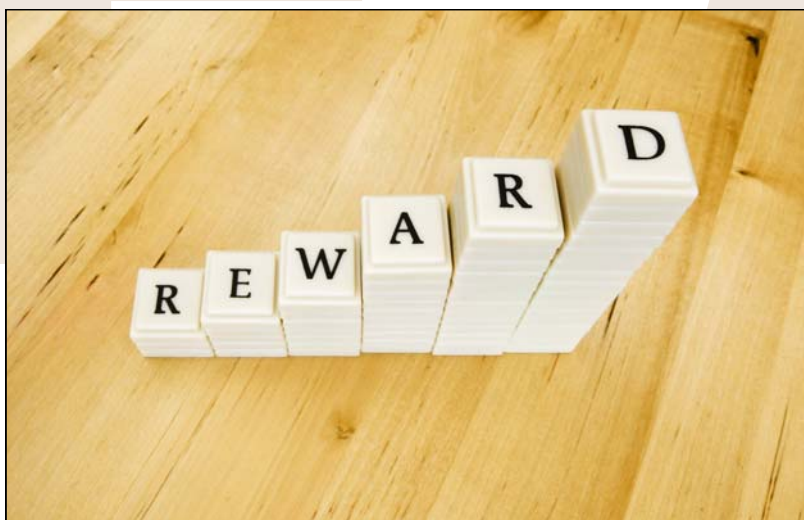
Suppose you donate stock to a qualified charity in December. You

acquired the shares for \$3,000 two years ago and the FMV is \$5,000 on the date of your donation. In this case, your deduction isn't limited to \$3,000—you can deduct the entire \$5,000, and you avoid paying taxes on the \$2,000 that the shares appreciated.

Other special rules may come into play. For instance, if you donate artwork to charity, the art must be used to further the charity's tax-exempt function. So a gift to a museum that shows the art should qualify for a deduction.

Finally, keep in mind that most itemized deductions, including those claimed for charitable contributions, are reduced for high-income taxpayers under something known as the Pease rule. Your tax advisor can tell you more.

Charitable donations can be made through New Year's Eve and still qualify for a deduction in the current tax year, and if you make an online contribution on December 31 and charge it to a credit card, it still will count as having been made in 2016—even though you won't pay the bill until 2017. ●



## Seek The Comfort Of A Pet Trust

Is your pet practically a member of the family? If so, you're certainly not alone, as many pet owners would go to extreme lengths to protect the well-being of their animal companions. In fact, you might even want to spell out plans to care for Fido or Tabby in a legally binding document, especially if you're fearful that your pet will live longer than you do.

"Pet trusts" have been around for years, but their popularity has been rising recently. In 2016, Minnesota became the last state in the nation to approve such arrangements. Now a pet trust can be established with legal authority anywhere in the

United States.

As the name implies, a pet trust is a legally sanctioned arrangement that provides for the care and maintenance of one or more companion animals. Typically, the pet owner—called either the "grantor" or "settlor"—sets up the trust and designates a trustee to hold assets for the benefit of the pet. The trustee makes payments out of the trust funds as needed.

Depending on state law, a pet trust may last as long as 21 years or until the death of the pet, whichever comes first. In some states, the trust may continue even longer than 21 years.

The trust may provide specific

instructions regarding the care of the pet that the trustee will be required to carry out. For example, if you own a cat that prefers a certain brand of food or your dog enjoys regular romps in the park, those particulars may be included in the trust. You also can impose requirements for regular visits to a vet.

Just like a trust for an elderly person, a pet trust may provide instructions for care in case the animal becomes ill or otherwise incapacitated. You know your pet better than anyone else, so describe the type and length of care your pet should receive.

Besides designating a trustee, as

# Avoid Becoming A Victim Of Identity Theft

**H**ow bad is the identity theft crisis? In recent studies by Gartner Research and Harris Interactive, seven million people said they'd been victimized. That's more than 19,000 a day, almost 800 per hour, and 13 every minute. And according to the Identity Theft Resource Center, the average identity theft victim spends 600 hours, \$16,000 in lost wages, and \$1,400 in out-of-pocket expenses trying to repair the damage.

Though there are ways to limit the harm if someone steals your personal information, prevention beats any cure. Here's how to reduce your vulnerability.

**Don't give out personal information.** Unless you know the person you're dealing with, limit the information you provide. If you get a call from a telemarketer or even a government agency, ask for a customer service number and check whether the caller is legitimate. If you are still in doubt, contact your Better Business Bureau. If it's a company you've dealt with before, make sure the caller's information matches what's written on past correspondence.

**Guard your mail.** Identity thieves may sort through trash or raid your mailbox to find bank numbers and other personal information. To protect yourself, shred discarded mail. If you're going to be away, ask the Postal Service (800-275-

8777) to hold your mail until you return. And don't leave outgoing mail in your mailbox; use a secure collection box or take it to the Post Office.

**Keep track of credit card receipts.** Though most merchants limit the amount of personal information printed on receipts, they're still valuable to identity thieves. So ask store clerks to hand you your receipt rather than s ticking it into a bag, where it's more likely to be misplaced.

**Know what you have in your wallet.** Keep an inventory of the credit cards you carry and make sure you have the numbers written in a safe place. Leave your Social Security card safely at home, and be very careful with health insurance cards, which may also list your Social Security number—the holy grail for identity thieves.

**Clear your hard drive before you dispose of your computer.** Make sure all personal information is non-retrievable before you give away an old computer. If in doubt, remove the hard drive and have it destroyed.

**Lock up your personal items.** At work or the gym, always secure your wallet or purse in a locked drawer or locker. Left unattended for even a minute, these items could give a thief all that's needed to make you the next victim.

**Routinely check your credit bureau report.** If an identity thief uses

your information to open new accounts, the transaction should show up on your credit report. So, at least once a year, request a report from each of the three credit reporting agencies: Equifax (800-525-6285 or [www.equifax.com](http://www.equifax.com)); Experian (888-397-3742) or [www.experian.com](http://www.experian.com)); and TransUnion (800-680-7289) or [www.transunion.com](http://www.transunion.com)). Reviewing these reports regularly could help you catch a thief before the damage is too great.

**Review all bank and credit card statements.** Before you pay your bills and file your statements, check carefully to make sure you recognize all the charges. If you find a discrepancy, report it to your credit card company or bank right away. In most cases, they will work on your behalf to help resolve the problem.

**Follow Internet safety rules.** Your computer and your online transactions are great sources of information for identity thieves. These measures can limit your vulnerability.

- Purchase virus protection and “ad ware” software. Some viruses can send out information from your computer to a perpetrator.

- Don't download files from unknown sources. You might be opening up a window of opportunity for a thief to browse your computer.

- Use a firewall to block unknown Internet sites from getting access to your files. This may be especially important if your computer is always connected to the Internet.

- If others have easy access to your computer, avoid automatic log-on features that could enable an unauthorized user to exploit your personal information. Use password options that limit accessibility to personal files, especially those that hold financial information. And avoid passwords that are easy to guess—your mother's maiden name, for example.

Make sure any Internet purchases or financial downloads happen via a secure server. And always take the time to review vendor privacy policies to check whether personal information could be sold or distributed to other parties. ●

well as a successor and contingent trustee, you should identify your pet to avoid any potential fraud problems; detail your pet's standard of living and care; determine the amount of funds

needed for your pet's care; designate a remainder beneficiary in the event the funds in the pet trust aren't exhausted upon the pet's death; require periodic “inspections” by the trustee to ensure that the pet is being properly taken care of; and list instructions for the pet's burial or other disposition.

Best of all, a pet trust offers its owner peace of mind. Instead of leaving matters to chance, you will know that your long-time companion will be cared for until the end of its life. ●



# Avoid Squabbling Over Your Estate

**D**on't assume that you're immune to the sort of dire consequences that can tear apart a family after you're gone. What often starts as a minor disagreement over a few prized possessions can turn into a full-fledged war. Things can get even worse if distant relatives show up out of the blue, staking their claim. But you might be able to avoid future family squabbles by addressing these issues now. Start by listing your assets and deciding who will get what and when.

Here are several areas that may require some extra attention:

**Business ownership.** This can be complex if you run a company and have to decide who will be named as your successor. Figure out the best person (or persons) to take the helm. If that arrangement disproportionately benefits one or more heirs, you might designate other assets to go to the others to keep things fair. One possibility is to use a buy-sell agreement facilitating the sale of business interests. Note that it may be crucial to start by establishing the value of any business you own.

**Vacation homes.** Transferring rights to a principal residence is often straightforward, but what about that cabin in the woods or your seaside cottage? If you have several children, splitting ownership may be a problem if one child's family expects to get more use out of the place. If you can't work out an equitable solution, consider selling the vacation home and dividing the proceeds.

**Second marriages.** Suppose you've remarried (perhaps more than once) and you or your spouse—or both of you—have children from a prior marriage. Depending on how your will is worded, all of the children from both sides of the family may share evenly in the estate. As an alternative, you could use a trust as a vehicle for passing assets to particular beneficiaries you've chosen.

## Jewelry and other valuables.

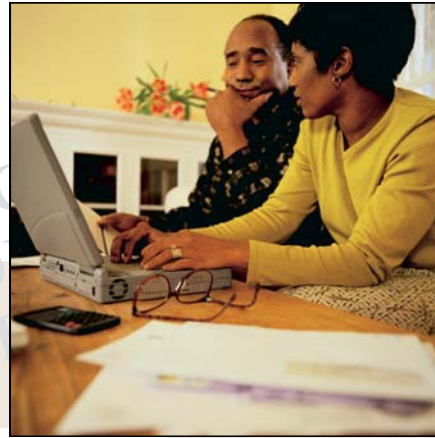
When it comes to handing down your assets, don't leave any stone unturned, especially if it's a rare diamond.

Catalog all valuables and family heirlooms and make sure you've accounted for the major pieces in your will.

Of course, it's your business, house, and valuables, and you can do whatever you want with them. But it probably won't hurt—and it most likely will help—to open a

dialogue with your family members. You may be able to avoid potential problems by clearing the air instead of letting things fester.

One of the best things you can do is spell out your wishes clearly in your will and attach a letter of instruction for clarification. In some cases, it also makes sense to film a video showing that you were of a "sound mind" at the time that you made these decisions. ●



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example, to go through the process of remembering, recording, and transmitting her life story. To begin, Wagner asks the film subject to fill out a long questionnaire, and then she interviews the person off-camera. "It tends to be a very emotional experience," she says. Next there's a one-day shoot at a place the client chooses. It might be a living room or study, the back yard or a porch at the family summer place overlooking the sea. Usually Wagner herself questions the client during three to four hours of filming. Finally, the digital footage is edited down to 30 to 45 minutes of the subject looking directly into the camera and telling her story. The final

version, as well as the longer filmed interview, is transferred to a gold-plated archival DVD.

What families choose to preserve, of course, varies widely. In some videos, people simply discuss where they've been and what they've done, describing friendships, accomplishments, and values. Others may be more directly instructive, such as the client who talked about her time-management skills, explaining that "if you take a project and do a little bit of this and a little bit of that, every single day, after five days of doing a little bit of project A, you've done a lot on project A by Friday."

With the high-ticket productions, Wagner does a private screening, complete with champagne and popcorn, at a venue of the client's choosing. For the ethical wills, the showing is up to

you, though with virtually every video Wagner has produced, clients have immediately shared the finished product with their families. While the ultimate goal is to preserve family history, it's inevitably illuminating to listen to an 80-year-old grandparent talk about all he has seen and done in eight decades on the planet. "These screenings are highly charged, extremely loving occasions," Wagner says.

Wagner recalls when she lost her first client; she had been 99 during the filming, and 101 when she died. Wagner worried that the family would find it too painful to watch the video, but in fact within a few hours of the death, everyone was gathered around a television, watching, laughing, crying—and remembering. That, Wagner says, is exactly the point. ●