

MINUTES

MSBA PROBATE & TRUST LAW SECTION COUNCIL MEETING

May 19, 2011

Meeting held at MSBA Offices
Minneapolis, Minnesota

Section Council Meeting

Members Present: Andrea Breckner, Jolene Cutshall, Peter Hatinen, Scott Nelson, Susan Link, Sonny Miller, Sheryl Morrison, Thomas Rauenhorst, Ivory Umanah, and Thomas Woessner.
Via telephone: Michael Cowles.

Others Present: Richard Hawke. Via telephone: Tamara Peterson.

1. **Meeting called to order:** 3:35 p.m.
2. **Treasurer's Report:** Scott Nelson reported on the March 31, 2011 financial statements. The section's month-end balance is \$21,126.18.
3. **Education Committee:** Final arrangements have been made for the 2011 Probate and Trust Law Section Conference. The conference is set for June 6 and 7, 2011 at the St. Paul RiverCentre. The council discussed projected attendance for various break-out sessions in responding to Vince O'Brien.
4. **Legislation Committee:** Peter Hatinen reported on the status of various bills. No action has been taken on many of the bills we are tracking.
5. **Federal Taxation Committee:** Richard Hawke provided a written update. See attached May 2011 Federal Tax Update.
6. **Consumer Protection/Publications Committee:** No report.
7. **Ethics and Professional Responsibility Committee:** Tamara Peterson reported. The committee has planned a November 2 lunch CLE. Briggs & Morgan will host this presentation on how to work with clients that have diminished capacity.
8. **Greater Minnesota Involvement Committee:** No report.
9. **Technology Committee:** No report.
10. **Litigation Committee:** No report.

11. **Wills for Heroes Committee:** We served 4,757 first responders and there have been 171 clinics.
12. **Newsletter Committee:** No report.
13. **Old Business:** None.
14. **New Business:** Three council members are completing their terms: Andrew Baese, Michael Cowles, and Jane Kiker. Andrew Baese will move into the officer rotation. The council appreciates the time given and thanks them for their six years of service. Three new members have been appointed: Richard Hawke, Jennifer Lammers, and Michael Sampson. Scott Nelson has agreed to be our assembly representative.
15. **General Meeting adjourned:** 4:22 p.m.

May 2011 Federal Tax Update
Probate and Trust Section
Practicelaw.org

Estate Tax Deduction Must be Reasonably Certain

A Tax Court decision upheld Reg. Sec. 20.2053-1(b)(3) requiring that to be deductible on the estate tax return, a claim against the estate must be “ascertainable with reasonable certainty and will be paid” before it can be deducted on the estate tax return. In G. Saunders Estate, 136 TC_____, No. 18, Dec. 58,610, the Tax Court limited the amount of a malpractice claim against decedent’s predeceased spouse’s estate to the amount paid during the administration of the estate. Although the taxpayer based the deduction (\$30 Million Dollars) on the opinion of experts at the time, the claim was settled three years later for \$250,000.

Wisconsin Issues Reminder of No State Estate Tax for 2011 and 2012

The Wisconsin Department of Revenue included a reminder that the Wisconsin estate tax does not apply for 2011 and 2012 since it is based on the federal credit for state death taxes paid. With the enactment of Public Law 111-312 on December 17, 2010, continuing the suspension of the credit in favor of a federal deduction for state death taxes through December 31, 2012, there is no Wisconsin estate tax for deaths occurring prior to that time. Wisconsin Tax Bulletin No. 171, April 2011.