

Attorney Timothy P. Crawford, CPA, CELA*, CAP**
wanted to share this information with you.

BENEFICIARY DESIGNATIONS OF RETIREMENT PLANS

GREATER MILWAUKEE AREA OFFICES IN BROOKFIELD, GLENDALE, MILWAUKEE, OAK CREEK & RACINE

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The beneficiary designations on retirement plans need to be well thought out, taking into account income taxes for yourself and your loved ones. Also, you have to think about whether or not you want the money held back from your children or if you are planning to give it to them equal and outright.

If you have used a Trust to minimize death taxes, you want to be especially careful how you handle retirement plan beneficiary designations. This is true for IRAs, tax-sheltered Annuities (TSA), 403(b) small plans (that a hospital worker or a nonprofit organization employee may have as a fringe benefit package), or any other type of deferred compensation were you have not yet paid your tax. In deciding whether you should name your Trust as a primary beneficiary, or your spouse as primary beneficiary, you'll want to take into consideration do you want to have this money immediately available to your spouse? Do you want to have this money controlled by your spouse? In a second marriage situation you may not want the spouse to have control over who eventually gets this money.

For your secondary beneficiary you will need to be thinking about do you want to have your children equal and outright? Do you want to hold money back from your children? What do you want to have happen to your money if a child dies? Who should get that child's portion? Do you want to benefit your grandchildren? Do you want to benefit your grandchildren only if their parent has died? Do you want to have your child pay taxes on the money immediately upon your death? Do you want your child to have the ability to postpone income tax? Do you want them to be able to postpone it only for a short period of time or for a long period of time?

All of this has to be thought of as you select your beneficiary designations.

Beneficiary selection is the most complicated area of your estate plan. I would strongly suggest that you get advice from Attorney Tim Crawford on your beneficiary designations. This is one of the most complicated areas of the tax law. There are many options available. How you structure your beneficiary designation will control these various tax options.

**“Those Who Plan Ahead Win.
Those Who Don’t Plan Ahead Lose.”**

This article is for informational purpose only and is not intended as legal advice. It is recommended that you call Timothy P. Crawford for a free conference to discuss your situation in more detail. Attorney Crawford can be reached at 1-262-634-6659. Please refer to this article when you call.

*Attorney Timothy P. Crawford is a Nationally Board Certified Elder Law Attorney (**CELA**). He has been Board Certified by the National Elder Law Foundation which has been approved as the Sole Certifying Organization for Elder Law Attorneys by the American Bar Association.

Timothy P. Crawford was invited to join the Council of Advanced Practitioners (CAP**) of the National Academy of Elder Law Attorneys (**NAELA**) in August of 2005. **CAP** is a small group of premier elder law attorneys, all of whom have been members of NAELA for at least 10 years, are certified as elder law attorneys by the National Elder Law Foundation, and are AV rated by Martindale Hubbell, a service that provides an independent rating of the quality of attorneys, as one of the top attorneys in the nation.

Attorney Timothy P. Crawford has been selected as a **Fellow** of NAELA. **Fellow** is the highest honor bestowed by the Academy. Selection as a **Fellow** signifies that his peers recognize the lawyer as a model for others and as an exceptional lawyer and leader.

Attorney Timothy P. Crawford has a superb rating of 10 out of 10 with A V V O.

A V V O has awarded to Attorney Timothy P. Crawford the A V V O Client’s Choice Award.

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**"Helping Families in Wisconsin for Over 40 Years
to Protect Their Assets from Nursing Home Care Costs"**

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