

Quote of the Month: *Enjoy it all*

“ Learn to enjoy every minute of your life. Be happy now. Don't wait for something outside of yourself to make you happy in the future. Think how really precious the time is you have to spend, whether it's at work or with your family. Every minute should be enjoyed and savored.”

~ Earl Nightingale

In This Issue

- May Quote
- Tough Love
- California Property Taxes
- Janis's Gratitude Diary
- Upcoming Workshops

Free Lunch Workshops

Knowledge is Power!

Protecting Your Assets, Your Health, Your Loved Ones, Your Legacy and More!

Janis A. Carney will let you in on secrets only 25 years of experience could come by. Attend and learn what documents you need, medi-cal, the ever changing scale of health care, long-term care, planning, taxes and MOST importantly **SOLUTIONS** that can help **PROTECT** you and your family! Call [408-402-6440](tel:408-402-6440) or go to www.carneyelderlaw.com and click Seminars to register!

Your Presence is Requested!

June 23rd

11am-1:30Pm

Or

June 28th or 29th

12:30PM-3:30PM

Register Now!



Come hang with the cool kids ! →

California California Property Taxes- What You Should Know!

If you own real estate in California (and probably even if you don't), you know that California passed Proposition 13 in 1978 that limits the amount the assessed value of California property can increase each year to no more than 2%, as long as it is not sold or transferred. Further, the property tax rate itself was limited to only 1% of the assessed value of the property, unless voters later approved additional taxes. This is very different from all other states that reassess the value of property every year or so to its then fair market value.

In 1986 Californians passed Propositions 58 to allow a property owner to transfer ownership of his California property to his child or parent without it being reassessed, provided the child or parent filed a timely claim with the county assessor's office to exclude the transfer from reassessment. The Prop 58 exclusion applies to the transferor's personal primary residence of any value and up to a total of \$1 million of assessed value of other property. In 1996, we passed Proposition 193 that extends this exclusion to transfers from a grandparent to a grandchild, when the grandchild's parents, who were the child or child-in-law of the grandparent, are then deceased.

In 1986 Californians also passed Propositions 60 and in 1988 passed Proposition 90, together allowing a homeowner, who is 55 or older, the right, one time, to sell his home and, in essence, roll-over its assessed value to a new home of equal or lessor value located in the same county or any reciprocating county. Currently there are only these 11 reciprocating counties: Alameda, San Diego, El Dorado, Riverside, San Mateo, Ventura, Los Angeles, San Bernardino, Santa Clara, Tuolumne and Orange. The sale of the former residence and purchase of the new residence must be completed within 2 years of each other. Further, if the sale and purchase are some time apart, the "equal or lessor value" of the properties has some wiggle room. However, a big "gotcha" is that the value of the properties for this roll-over is as determined by the county assessor's office(s) and is not necessarily the sales price of the properties.

Given the extremely high property values in California, especially in pockets like Silicon Valley, preserving and passing on the Prop 13 assessed value of a home or other property is very important to many families. A problem arises, however, when there is more than one child in the family. Careful planning is needed in that case to make sure to preserve the ability for one of the children to keep the Prop 13 value if he or she wants to keep the property. Recently, the tax assessors have capitulated to a case holding that makes it a bit easier for one child to inherit the property preserving the Prop 13 value. However, provisions giving the child an option to purchase the property from the parent's trust estate must be in the parents' trust to allow this to happen. This, of course, requires that the property be held in a trust when the parent died. Therefore, if there is any likelihood that one child may want to inherit the property, it is important to both make sure property is titled in the trust and that the trust documents are updated to incorporate this provision. If you are one of our Continuity Program Clients, we urge you to come in for your free yearly review meeting to discuss updating your trust document to add this important provision.

~ May Joke ~

A woman awoke excitedly on her birthday and announced enthusiastically to her husband, "I just dreamed that you gave me a pearl necklace for my birthday! What do you think it means?"

With certainty in his voice, the man said "You'll know tonight."

That evening the man came home with a small package and handed it to his wife.

With anxious anticipation, the woman quickly opened the package to find a book entitled, "The Meaning of Dreams."



Laughter keeps us young!

Janis's Gratitude Diary

Excerpts from May

May 10: Dear Diary, this is a special day in my family. It is both the birthday of my daughter Lara and the birthday of her first child, my grandson, Hutch, who is 4 today. I treasure and know I am blessed to have a wonderful relationship with them both and everyday am so grateful they are in my life. I am also very grateful for the ability to take every Friday away from my office and my work to spend quality time playing with and caring for Hutch and his baby sister, Riley, now 10 months old and probably my last grandchild. They will be grown in a flash and this time is important and special.

May 19: Dear Diary, I attended a Gala tonight for the Pink Lemonade Project in Portland Oregon. I was invited to come here tonight by my dear friends and colleagues Karen Webber and Beckie Pettis, who are leading elder law and estate planning attorneys just across the Columbia River in Vancouver Washington. Karen is a very proud breast cancer survivor and a massive supporter of the Pink Lemonade Project, which is a local support group for persons who have breast cancer or have survived breast cancer. I am profoundly grateful that Karen survived her battle with cancer and so proud of all the women and men who come together in support of others who are in their own battle now. Thank you Karen and Beckie for inviting me to share this special time with you.

May 24: Dear Diary, today I am grateful for my client and friend John who shared information he learned about a new way to defer capital gains taxes on the sale of a highly appreciated asset. In fact, John used this technique himself when he and his wife sold their Silicon Valley home and downsized into a condo. The huge cap gain in our homes in the Silicon Valley is a massive and gut wrenching tax problem for many homeowners here, especially those who are house rich, cash poor, preventing many from making a move they know they should. As a realtor for 40 plus years in our valley, John knows loads about the effect of personal income taxes on the sale of homes here and, fortunately, always has his ear tuned to what can help his sellers. Thank you John for bringing this information to me. Once I do my research to confirm the validity of the technique, I will add it to my tool box to help other clients who are in a similar situation.

May 29: Dear Diary, today is my husband Tom's and my 47th wedding anniversary. We celebrated with a quiet dinner together tonight as it is a work day and we just finished celebrating Tom's birthday with a big family dinner party on Saturday. Although marriage can be really hard sometimes, I treasure and am so grateful for the life we have had together. Tom is a good man and I know and appreciate so much that our lives are richer because of each other.

May 30: Dear Diary: I am grateful this morning for a slow moving beat up pickup truck driver. I got off of I280 headed down the road into Redwood City, still going almost highway speeds. When up ahead I saw a line of cars behind the slow moving truck. As I took my place in the line, I realized that the truck was actually going the speed limit and that we were moving into a residential neighborhood. Had he not been there to slow us all down, we would have speed through the neighborhood, putting all of the residents there in danger. The slowdown gave me an opportunity to reflect on why I was going so fast and to realize that there really was no need for me to do so. Thank you truck driver for a gentle lesson and keeping me and others safer.

Our first annual Continuity Program appreciation party was a success!

The Continuity Program is for clients who choose to stay a part of our client family for years to come. The program has amazing benefits as well as free monthly workshops/ wine mixers, meetings with Janis, discounts on select document updates and more! On May 5th, we hosted a Cinco De Mayo celebration at our offices, where we had tacos, margaritas, mimosas, great conversation and wonderful company! A BIG thank you to those who attended! We look forward to next years Annual Continuity Program celebration! We hope to see more of you at the next one!

Upcoming Events:

Don't Miss Our FREE Workshops'!

(includes lunch)

“Knowledge is Power” Life Planning is key!

Saturday June 23rd– 11am-1:30pm

or

Wednesday June 27, 2018 or Thursday June 28, 2018

Time: 12:30pm-3:30pm

Wednesday July 31, 2018 or Thursday August 1, 2018

All events are located at our offices in Saratoga

Please RSVP

Call: 408-402-6440

Or email:

info@carneyelderlaw.com

Or Website:

Www.carneyelderlaw.com

**Click on Seminars for
sign up link**

**Address: 19100 Cox Ave.
Suite A. Saratoga, CA
95070**

**Carney Elder Law
19100 Cox Ave. Suite A
Saratoga, CA 95070**

PLACE
STAMP
HERE



We need you! Please submit something that happened in the month in which you are grateful for and we will add it to our gratitude diary and put in our next Newsletter to share with readers. Submit your gratitude story to lanjab@carneyelderlaw.com