



## **Florida Wills & Trusts**

### **January 2019**

(v.19.01)

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### **Legal Developments**

#### **Increased Federal Tax Exemptions (effective January 1, 2019)**

Applicable Exclusion Amount: \$11,400,000 (up from \$11,180,000)  
GST Exemption Amount: \$11,400,000 (up from \$11,180,000)  
Gift Tax Annual Exclusion Amount: \$15,000 (no change from 2018)

### **Updated Product Features**

#### **Revisions to Allocation to Income and Principal**

The choices, text and Law & Strategy have been simplified regarding the treatment of income and principal. *Question 1072*

#### **Decanting Provision Revised**

The legislature enhanced the use of decanting in Florida by allowing Trustees limited by ascertainable standards to decant. Our decanting provision, located in the Clause Bank, has been revised and reformatted. With more and more use of decanting, we felt it should have its own article. *Question 1655*

#### **Durable Power of Attorney Modified for Notary Signature**

The signature block has been modified for DPAs in which someone else is signing for the principal—this procedure, for DPAs, requires that the Notary be the actual signor. Consequently, the “Who is Signor” question is now suppressed for DPAs when the client directs another to sign. The question is needed for other types of documents that don’t require that the Notary be the one signing on the client’s behalf. We also expanded the language required to be placed next to each Superpower when the Notary signs on the client’s behalf.

### **SOFTWARE UPGRADES - Microsoft Word Users**

For Word users, we added a function to immediately convert the exported document to native Word format based on Word 2007 or later (versions earlier than Word 2007 are not supported), so your document will be in the .docx format when it opens.

Explanation: To be as flexible as possible for various word processors, Lawgic exports documents in Rich Text Format (RTF) that both Microsoft Word and Corel WordPerfect can easily read. RTF in its native form is not as robust or sophisticated as either of those word

processing programs and, if the edited document is saved with an RTF extension, some glitches can occur. Some document management systems have trouble handling the conflict between formats. This new procedure should solve those issues.

WordPerfect users don't seem to have these problems, but we will keep an eye out for inconsistencies going forward.

## Other

- Revisions and clarifications to text in the Perpetuities, Subchapter S Stock Management and Sale of Business Interests provisions
- Revisions to the Law & Strategy for Question 1015 (For What Purposes)
- Revised cite to "§1396p(d)(4)(B)" in the DPA in the last power in GOVERNMENT BENEFITS
- The 'Law\_Surf' file has been replaced with a new 'Sample' file. You may delete the 'Law\_Surf' file if you wish.

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To view the questions that have revised **Law & Strategy** use the "Up\_1901" flag file. From inside Lawgic, open any existing answer file; on the **Flags** menu, click **Open Flags**, select the appropriate Title (click **OK**), and next select the "Up\_1901" flag file (and click **OK**). To view all flagged questions, click **Expand All** on the **Answers** menu and scroll the Navigator. Flagged questions will be indicated with **blue bold** text.

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