



## **Maryland Wills & Trusts**

### **December 2020**

(v.20.01)

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Special Alert—New Authors: We thank Mary Beth Beattie for her dedicated work on the title and welcome Frederick R. Franke, Jr. and Deborah F. Howe of Franke Beckett LLC as our new Maryland authors.

### **Legal Developments**

#### **Increased Federal Tax Exemptions**

Updated Synopsis to show correct Applicable Exclusion Amount  
The just released inflation adjusted AEA for 2021 will be \$11,700,000; when you use Lawgic in 2021, the new AEA will be reflected  
GST Exemption Amount for 2021 is likewise \$11,700,000  
Gift Tax Annual Exclusion Amount remains at \$15,000  
Inflation adjustments for income tax figures in the Law & Strategy are also built in for use in 2021

#### **Marital Funding and Qualification Article Now More Functional Than Before**

The Funding and Qualification of Marital Trust has been adjusted to display provisions for QTIP Trusts without regard to secondary choices made. If a QTIP is chosen, whether with or without a Family Trust or a Disclaimer Trust, the appropriate QTIP options will be shown.

#### **SECURE Act language built into program to replace previous provisions.**

While we had, and will continue to keep, a page on the Lawgic Website that contained the changed language (and other tools) necessitated by the recent passage of the [SECURE Act](#), this update brings the choices into the program as you draft. The Accumulation Trust, now identified with that term to distinguish it from the Conduit Trust option, no longer mentions life expectancy payouts for beneficiaries. We added a new option, a Hybrid format, that calls for Conduit Trusts when needed for special treatment, and Accumulation Trusts for all others. The shortening of the permissible payout span to 10 years can be devastating if a Conduit Trust is used for non-preferred Designated Beneficiaries because the account will be more easily depleted.

At a customer's request, we expanded the class of payments that cannot be suspended in the Restricted Behaviors article so there can be no argument that stretch payouts (what is left of them) will be disqualified by the possibility of suspending payments. Likewise, the ability to terminate a Special Needs Trust has been limited to allow the trust to maintain a lifetime payout for the disabled beneficiary.

## **Updated Product Features**

### **Expanded Options for Pet Trust**

In the past, we expected drafters to include a Pet Trust, if at all, in the main documents, such as Wills and Trusts. After some suggestions, we opened those provisions up to allow creation of that language for a codicil or trust amendment; tweaking and placement would still be required, but the basic provisions would be available in the document.

### **Software Upgrades**

We have switched to an updated, more stable version of Java, which will install with this update. When launching Lawgic for the first time, you might notice that your fonts are slightly larger or smaller than what you expect, depending on your monitor. Without getting too technical, this is the result of the way the new Java handles the user interface. If you need to adjust your font size, or just forgot you could, go to Lawgic's Font tab on the menu bar and select your size.

### **Improved Navigator Printing**

We have expanded the available options for a user to send the Navigator outline for a file from the File>Send>Navigator menu item. The user may now choose to send all questions, just flagged questions, or only answered questions. The ability to also send answers, either long or short, and notes is still available.

### **Improved Navigator Printing For Output To Excel**

New "Send Navigator Outline" function allows export into an Excel file. You may now use the "File>Send>Navigator Outline to Excel" menu item to send data from a file, including answers from all questions, flagged questions only, or unflagged questions only. As before, you can also send long or short answers and notes. Sending this data to Excel is not especially helpful in preparing a full document, but such a file with specific client data extracted from a Lawgic answer file will enable you to merge that data into a custom document you have created. You must have Excel to use this function.

### **Scratch Pad Upgrade**

Some users had commented that the Scratch Pad would be more useful if the same data could be stored in more than one place. This allows bunching of information, such as trustees' names, even if the same information is desired in a different spot in the Scratch Pad. We did not previously allow duplicate entries in that tool because of programming considerations, but that has been modified and the Scratch Pad can now contain duplicate data. In addition, you can now insert a new row above a selected row as well as use a new shortcut F9 to add a new row. For more information, right-click in the Scratch

Pad and select "About Scratch Pad". We are working on other enhancements to make this tool even more valuable!

## Microsoft Word Users

### Toolbar Tab

Last year we introduced a toolbar tab that made editing Lawgic documents faster and easier. It was available as a download from our website, but it is now integrated into the installer with this new update. It is automatically added to your Ribbon to provide editing tools, shortcuts and macros to put you in better control of your Lawgic-generated output. If you haven't been using this tool, you might give it a try.

### Document Conversion

We added a function to immediately convert the exported document to native Word format based on Word 2007 or later, 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 Subchapter S Stock Management and Sale of Business Interests provisions.
- The Help and Resources selections from the HELP menu in Lawgic have been redesigned and have a new look and feel.

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To view the questions that have revised **Law & Strategy** use the "Up\_2001" 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\_2001" 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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