

TRUST TALK

SUMMER 2025

HELLO THERE!

Happy summer everyone! It's officially the time of year when we are reminded why we live in the Northwest – long evenings outside, the sun waking us up in the morning, farmer's markets, gardening, golf without rain, hiking, boating, the Mountain making a near-daily appearance...it's a good time to be in the PNW.

It's also a good time to be in Washington State, specifically, because we have had some big news in the estate planning world! There is a section of this newsletter dedicated to the legal updates, but the short story is: the Washington State estate tax exemption has been raised significantly as of July 1, 2025. The exemption is still lower than most states and the tax rates got more aggressive with the law change, but – hey! We'll take a win for now! I know some of our clients have considered moving to a new state with more favorable estate tax laws, so I'm hoping this keeps y'all here a little longer!

Aside from keeping up on estate tax laws, we have been busy around the firm welcoming new team members, settling into our new and improved office spaces in Tacoma and Gig Harbor, and really feeling like we have earned the reputation as one of the top estate planning firms in the region. I believe that this reputation starts and ends with the people we have on our team: this is a team of smart, compassionate individuals who enjoy working together and find deep meaning in what we do for you and your families. Thank you, always, for trusting us to help you and your family navigate these difficult but important issues. It is an honor that we don't take lightly.



If are out and about and find yourselves near one of our offices, we hope you stop in to say hello! We also hope you have a wonderful summer and enjoy the beautiful PNW!

–Annie Arbenz, Founding Attorney

HAPPY SUMMER!





THE BRIDGE CLUB

Have you looked at your estate plan since you signed the documents?
Do you remember who was in the important positions? Are they still the right people?
Do you want to call our office to check in on things but are nervous about how you pay for that?
Do you think your kids would know that they should call our firm when something bad happens?
Do you want to be more connected to our firm?
Do you want to get legal updates and know what's going on and know if that affects your plan?

If you've asked yourself these questions, or similar questions about the maintenance of your estate plan, we have a solution for you! Starting in January 2024, we began a service exclusively for the benefit of our estate planning clients: **THE BRIDGE CLUB!**

The Bridge Club is basically a subscription service...but this isn't every month or year. For one payment of \$500, you get the following benefits for the **NEXT FIVE YEARS:**



1. **Free paralegal-led changes to your estate planning documents**



2. **Discount on attorney-led changes to your estate planning documents**



3. **Discount on administration of your estate**

4. **Five-year check-in to see if your estate plan continues to reflect your desires and/or the correct people in important roles**



5. **A dedicated phone number and email address to prioritize your communications with our Trusts & Estates team**

Our clients do not want their relationship with our firm to be transactional ("one and done") and neither do we! We have learned, through years of experience, that keeping in touch with our clients is the best way to ensure a successful estate plan ... one where your beneficiaries understand what is happening and have easy access to everything when the time comes ... one where your estate is paying the least amount in taxes ... one where everything transfers seamlessly to your intended beneficiaries with no drama and minimal attorney involvement. The program is evolving as it grows and we plan to include quarterly updates, webinars, events, a Facebook group, and other fun benefits along the way!

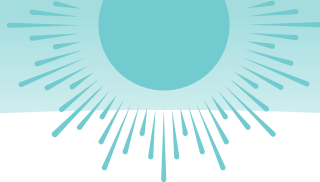
GET STARTED TODAY!



kristen@thenarrowslawgroup.com |  **(253) 340-1825**

This opportunity is available exclusively to our estate planning clients. Don't wait - the cost will go up later in 2025! You can join in minutes by scanning the QR code to the left or visiting www.thenarrowslawgroup.com/the-bridge-club or scanning the QR code.





BEYOND THE DOCS



We hear horror stories all the time about unexpected things that happen after someone has died . . . we didn't know about the old retirement account that took forever to transfer . . . Facebook won't let me into my dad's account . . . I can't get my parents' original documents out of the safe deposit box . . . the memorial home won't move forward with the cremation because our estranged brother won't sign off on the documents. We don't love these stories and neither do our clients or their families. So, here is a quick review of a few things you can do beyond your estate planning documents to prepare your family:

1. SIGN UP FOR ONLINE PASSWORD STORAGE

There are several websites that provide online storage for passwords, which is a great way to organize the various passwords and PINs we have these days. It's quite convenient if you share a lot of accounts with others (like family members), but also fantastic when your power of attorney/executor/trustee needs to access your online accounts (from Facebook to investment accounts) when bad things happen. Some suggestions for good, reputable sites are Bitwarden and LastPass.

2. LOOK UP THE WORKBOOK "I'M DEAD, NOW WHAT?"

This \$13 planning workbook, found on Amazon, will help fill in a lot of gaps when it comes to various decisions your family will have to make after you have died. Like we always say: your legal documents transfer authority and direct as much as we can legally, but – for many reasons – they can't and don't explain many important details that can be very helpful to your family. In this book, there are hundreds of prompts to help you identify and answer questions that will help your family make decisions for you if you're incapacitated and/or after you have died. It's not fun, but it adds to the peace of mind when you're getting all of this done.

3. TELL YOUR EXECUTOR/TRUSTEE ORIGINAL DOCUMENT LOCATIONS

Even in our techy world, original legal documents are still important, so we advise our clients to keep documents in a safe place. This can be a safe in your home, a safe deposit box (but only if your executor is listed as a signer on the box and has a key!), a fireproof envelope, or – shoot – even a specific file cabinet or bookshelf at your house. The most important thing is that the people who need to know where they are can easily find them when they need them.

4. PREPAY FOR THE DISPOSITION OF YOUR REMAINS

This is not the most fun thing to discuss or think about, but – hands down – clients tell us that the "best gift" their parents gave them after they died (in this realm) is prepayment of burial/cremation/composting. As some of you may know, this can be a major burden for grieving families and having the decisions made and costs paid in advance helps. Most memorial homes offer these services at a discount when you do it in advance.

5. TALK TO YOUR FAMILY

You have invested your time and money into putting together an estate plan. If you are comfortable, we recommend discussing the terms of your estate plan, generally, with your kids or other loved ones so they know what to expect, generally. Hearing it from you, while you're alive and well, will mean a lot to them when they're implementing your estate plan. You don't have to get into details, just tell them the general ideas so you have the flexibility to change it in the future.

Of course there are more, but this should get you started on going "beyond the docs" to make things easy for your family!





THE STATE OF ESTATE PLANNING

**WE DON'T USUALLY HAVE MAJOR ESTATE TAX
UPDATES TO PASS ALONG, BUT WE DO THIS SUMMER!**

INCREASED WASHINGTON ESTATE TAX EXEMPTION • EFFECTIVE JULY 1ST

On May 23, 2025, Governor Ferguson signed into law Senate Bill 5813, which increased the Washington estate tax exemption from \$2,193,000 to \$3,000,000, meaning more of your estate is now exempt from the Washington State estate tax upon your death. This new exemption applies to deaths occurring on July 1, 2025, or after, so the lower exemption remains for deaths that occur before that date. The exemption will go up every year for inflation, based on the consumer price index.

Unfortunately, it isn't all good news as the new law also increases the tax rates. The rates previously started at 10% and were capped at 20% of an estate value in excess of the exemption. Now, the rates are capped at 35%. The increased rates will apply to estates with a total value of, roughly, \$7,000,000 or more.

The new, higher exemption is nice, but – don't be fooled – it is still a very aggressive state estate tax, with a relatively low exemption and one of the highest tax rates in the country.

What does this mean for you?

- Generally speaking, your plan shouldn't have to change because of the new exemption. We prepare most plans to incorporate this type of a change.
- If your estate (or, combined estate, if you're married) is over the \$7,000,000 mark and you would like to revisit your plan to mitigate the imposition of the new, higher tax rates, please give us a call to discuss.
- We often advise our clients, as they age, to strategically gift to family and donate to charities to keep their total estate value close to the Washington estate tax exemption, if possible. If you're doing this, the increased exemption is very important for you to reference in your gifting strategy as you may not have to gift as much going forward. This gives you a little more wiggle-room!



ADD YOUR LIVING TRUST AS "ADDITIONAL INSURED" TO YOUR HOMEOWNERS POLICY

In January 2025, we all watched in shock as the LA County fires ripped through neighborhoods, leaving destruction in their wake. Reports out of those fires were that insurance companies were denying, in full or part, a claim because an insured property was transferred into a living trust. Cue: people freaking out. But, don't freak out. The treatment of a living trust owning real estate differs from state-to-state and from company-to-company. This should not affect the insurance coverage here in Washington, but ... we cannot control an insurance company's response to a claim, and we don't want you to find yourself in this spot.

Accordingly, if you have a living trust, our advice is to contact your insurance agent to add your living trust as an additional interested party/additional insured on your homeowners' policy. It is a fairly simple update; your agent will likely want to see the Certificate of Trust that you signed when you established your living trust. (This is one of the documents you signed here in our office.)



WHAT'S ON YOUR



BUCKET LIST



ANNIE

1. Visit every state
2. Spend a month in the South of France
3. Complete a half marathon every year for the rest of my life



HANNAH

1. Go on an African Safari
2. Write a book
3. Run a marathon



LINDSAY

1. Walk the Camino de Santiago de Compostela
2. Take a weeklong cooking class in Italy or Spain
3. Go parasailing!



KRISTEN

1. Visit every continent (including Antarctica)
2. Spend a month on a boat in the Canadian Gulf Islands
3. Go to at least one game of the World Cup in 2026



LOGAN

1. Spend a month in Europe
2. Travel to Bora Bora for a week
3. Own a vacation shack in Oceanside, OR



JENNIFER

1. Go to the Macy's Thanksgiving Day Parade in New York
2. Night snorkel with Manta Rays in Hawaii
3. Start a book club (and keep her going!)



MADISON

1. Island hop in Greece
2. Visit all the MLB parks
3. Go whale watching



THERESA

1. Travel to Greece
2. Own waterfront property
3. Go to Disney World in the next two years

TEAM MEMBER SPOTLIGHT



CAROLINE BRINK

1. Visit all the U.S. National Parks
2. Attend the Olympics
3. Go on an African Safari

Attorney Caroline Brink joined us in January 2025. Many of you have already had the pleasure of working with Caroline, so you know what a great addition she has been! We wanted to take this opportunity to introduce her to you all...

Q: Tell us a little about yourself...

A: I grew up on a farm in Murfreesboro, TN with my family and much of my extended family. We are all very tight knit - most of them still live there! After that, I went to college at University of Tennessee - Knoxville and ended up staying there for law school. That's where I met my husband, Jeff, who was a year ahead of me in law school. After he graduated, he became an Army JAG and we moved to Clarksville, TN for three years. That's where I practiced estate planning law for my first three years.

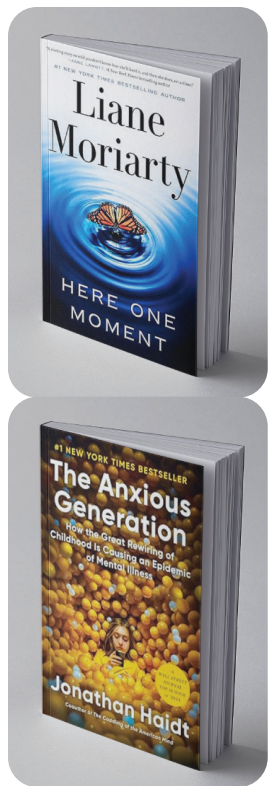
Q: What drew you to law and estate planning?

A: I loved (and still love) that, in this unique area of law, I can help people plan ahead and have peace of mind about what will happen once they're gone. Fun fact: I'm the only attorney in my family - almost everyone else is a dentist!

Q: Tell us about your life in the Pacific Northwest.

A: We moved to Tacoma in June of 2024 after Jeff was stationed here. We had never been to this part of the country before! We love to explore the outdoors here with our golden retriever, Hobbes. We have enjoyed visiting many parks, hikes, and, of course, love the water and the wonderful people!





THE BOOK CLUB

Our book club is going strong and we've found some great reads in the last quarter. There is a full display of our favorite current books in the Gig Harbor office, but here are the two "top picks" for this quarter:

HERE ONE MOMENT

"**Here One Moment**" is a thought-provoking piece of fiction by NY Times best-selling author, Liane Moriarty. This book starts on a plane, where a woman gets up after take-off and proceeds to walk down the aisle, telling each passenger how and at what age they will die. The book then follows the passengers to see how this information affects their lives and gives us some background about the weird lady on the plane. It's fascinating, beautifully written, and perfectly tense. Estate planning is often very reflective – it's not just about what happens when you die, but how you want to live your life. Five stars from us on this one and a perfect summer read!

THE ANXIOUS GENERATION

If you haven't read "**The Anxious Generation**", you should. This dense but very readable book digs into how social media and the internet are affecting Gen Z and the next generations (i.e., our kids and grandkids). "The Anxious Generation" shows us that it's our role, as a society, to support and protect our young people as they navigate social media and the internet while their brains are still developing. Through this book, we can understand what is happening, real-time, and how we can help improve our society, one kiddo at a time.

Have a good book suggestion for us? Thoughts on our suggestions?
Email us at bookclub@thenarrowslawgroup.com