

# **Recent Developments with Asset Protection**

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# The Crucial Importance of Timing When Protecting Assets from Creditors

- Does an offshore asset protection trust shield against federal taxes?
- *Campbell v. Commr. Of Internal Revenue*, T.C. Memo. 2019-4.

# Lessons

- If you are going to do asset protection, do it as early as possible with “clean hands.”
- Asset protection trusts are more likely to work if you truly divest yourself of control.

# Using Trusts for Divorce Protection May Not Be Enough

- *Levitan v. Rosen*, Mass. Appeals Court No 18-P-847, May, 6 2019

# Lessons

- Trusts are a great first step for divorce protection.
- The law is constantly evolving, and you never know where a beneficiary will get divorced.
- For best results, combine irrevocable trusts with premarital agreements.

# Name Irrevocable Trusts as Beneficiaries of IRAs and other Retirement Accounts

- *In re Todd*, 585 B.R. 297 (Bankr. N.D.N.Y. 2018).

# Lessons

- Laws are always changing.
- You never know where the beneficiaries of your IRA may live, or be sued, after you die.
- Leave IRAs and other retirement accounts to a spendthrift trust.