

# KH LAW NEWS

Bringing You Our Best  
**August  
2010**



**August Features:**

**Beware of Dog!  
GO GREEN!**

**Check Out Our Services  
KH Kudos**

**Tax Saving Benefits of a Life Insurance Trust  
Four Convenient Locations  
From All of Us**



## BEWARE OF DOG!

With children out of school and long, warm days, summer is the perfect time of year for people to get out with their families and pets. Unfortunately, summer is also peak season for dog bite injuries, especially for children. The reason is simple, with the beautiful weather, and everyone out and about, dogs and people interact more frequently. The fact is, safety first is always best; however, accidents still happen. It is estimated that by age 12 half of all American children will have suffered a dog bite of some kind. At this time of year, more than ever, dog bite injury victims need an experienced personal injury attorney to protect their legal rights after such an injury.

In Wisconsin, dog owners are strictly liable for injuries caused by their dogs. This means that as long as you are injured by a person's dog, they are responsible to you for payment of damages for the injuries caused by their dog. You do not need to prove the dog was vicious or was improperly secured. All you need to prove is that you were injured by their dog.

In addition, Wisconsin also has laws that entitle a dog bite injury victim to recover double damages from the dog owner if the dog had injured a person prior to your injury. Again, this is an absolute right as long as you can prove that there was a prior attack.

Many times dog attacks and injuries are not witnessed by anyone that can verify the attack. For that reason, it is important to report all dog attacks to the local authorities as soon as possible after the attack happens. This is one way to ensure documentation of the attack to assist with your case, should it become necessary, and it also helps authorities keep track of dangerous animals. In addition, if another unfortunate victim is injured by the same dog, your reporting of the injury would entitle the second victim to double damages.

Disfigurement is often an unfortunate result of dog bites. Because reconstructive surgery is often not recommended until a child is older, disfigurement to a child makes it difficult to properly value the case and adequately compensate the victim and their family if the personal injury attorney is not experienced in these types of cases.



Attorney Mark L. Krueger has been representing injured victims of accidents of all kinds including dog bites for more than 25 years. If you or a loved one have been the victim of a dog bite, please contact Attorney Mark Krueger for a free initial consultation. Mark can be reached at (866) 455-2993 or visit the website at KH-LAW.net.

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If you would prefer to receive our monthly newsletter by email, please email [moassistant@kh-law.net](mailto:moassistant@kh-law.net) and let us know to add you to our email newsletter list.



### For all your legal needs:

- |                   |                              |                    |
|-------------------|------------------------------|--------------------|
| Divorce           | Injuries from Accidents      | Estate Planning    |
| Real Estate       | Vaccine Injury Litigation    | Family Matters     |
| Adoption          | Workers Compensation         | Products Liability |
| Criminal/Traffic  | Professional Malpractice     | Mediation          |
| Guardianship      | Employment/Discrimination    | Business Needs     |
| Personal Contract | Probate/Trust Administration | Funeral Trusts     |
|                   | Personal/Business Litigation |                    |

### KH Kudos



Eileen Shanks is having a birthday!!!! 8/28

Stacie Ray joined the firm in 2004!  
Thank you for your SIX years of dedication!

### Disclaimer

*The information provided in this newsletter is not intended to serve as specific legal advice. Viewing this information does not constitute an attorney-client relationship. All testimonials are released by express consent of our clients.*

[www.KH-LAW.net](http://www.KH-LAW.net)

## Tax Saving Benefits of a Life Insurance Trust

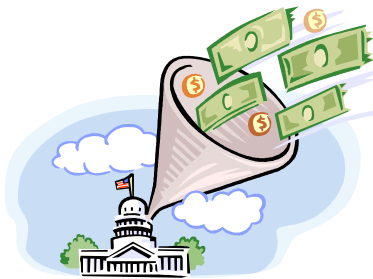
Many people have Revocable Living Trusts. They allow for the management of assets during their incapacity, avoid the necessity of probate at death, and usually save money in the post-death administration process. However, some people have an additional specialized trust, an Irrevocable Life Insurance Trust or "ILIT."

**What's an ILIT?** It's a trust that is used to hold any type of life insurance policy on your life, including term, universal, or whole life. In other words, the Trust is the owner of the policy or policies on your life. The trust is irrevocable, which means that it cannot be changed or undone by you after you set it up. Because of the manner in which the ILIT is structured, the life insurance death benefit is not included as part of your estate that is subject to estate tax. Typically one of your children is the *Trustee* or manager of the Trust. Usually, your children would also be the beneficiaries of the Trust. During your life, the Trustee could use any cash value in the policies for the benefit of the beneficiaries. After you are gone, the ILIT can provide the funds necessary for your family to put their financial lives back together. After both you and your spouse have passed, the Trust can continue to provide for your children as you see fit. If your children are too young, a trusted friend can be Trustee until your children are of a suitable age (chosen by you) to manage the assets themselves. The Trust can even be designed to protect your spouse and children from their creditors.

**Is an ILIT right for me?** Unless you plan on dying before January 1, 2011, there will be a federal estate tax on your entire estate to the extent it exceeds \$1 million. Your estate may also be subject to state estate or inheritance tax, depending on your state of residence. In calculating the value of your estate, the government includes everything you own, no matter where it is or what it is. It includes your house, car, jewelry, stocks and bonds, etc. It even includes the death benefit of any insurance on your life. Even though the life insurance may not have had much value while you were alive, the full death benefit would be included in calculating the value of your estate. For example, if you had a house worth \$400,000, investments worth \$200,000, a car worth \$30,000, and a 401(k) with \$370,000, that would add up to \$1 million. If you died in 2011, you could pass that tax-free. However, if you also had a \$1 million life insurance policy, your estate would have a total value of \$2 million and it would incur estate taxes of \$435,000.

By having your ILIT own any insurance policies on your life, they would not be included in calculating the value of your estate. In other words, your estate would avoid having to pay the \$435,000 in estate taxes outlined in the situation above!

Remember, a normal revocable trust does not provide the advantages of an ILIT. Be sure to contact a qualified estate planning attorney, who focuses her practice in estate planning and who can help you decide if an ILIT is the right solution for you and your family.



*This article by the American Academy of Estate Planning Attorneys (AAEPA) was brought to you by Krueger & Hernandez SC. Attorneys Michelle T.L. Hernandez and Dera L. Johnsen-Tracy are active members of the AAEPA and have extensive legal experience in the area of estate planning. To schedule your free consultation today, simply call (800) 431-9776.*

**We hope you enjoyed your summer!**

**From All of Us at**

**Krueger & Hernandez SC...**

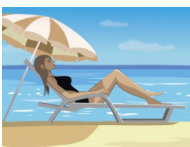
**Mark L. Krueger Michelle T.L. Hernandez**

**Dera L. Johnsen-Tracy Matthew S. Kaiser**

**Tricia Jennings Christan Mellum Stacie Ray**

**Kayleigh Robinson Shelley Craker**

**Eileen Shanks Kara Malston Renee Nehring**



### BARABOO

2nd Street Professional Offices  
123 Second Street  
P.O. Box 41  
Baraboo, WI 53913  
Phone (608) 356-3961  
Fax (608) 356-2008

### MILWAUKEE

930 Elm Grove Road  
Elm Grove, WI 53122  
Phone (262) 782-2229

### MADISON

One Financial Place  
8215 Greenway Blvd., Ste 590  
Middleton, WI 53562  
Phone (608) 824-9540  
Fax (608) 824-9140

### JANESVILLE

51 South River Street  
Janesville, WI 53545  
Phone (608) 758-5454