DrummondWoodsum **2024**

Estate Planning Year in Review

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"My belief is in the chaos of the world and that you have to find your peace within the chaos and that you still have to find some sort of mission."

- Ta-Nehisi Coates, award-winning author and journalist

We often say that our mission as estate planners is not to make decisions for our clients. Rather, our job is to educate them about the various options available, so they can make the best decisions for themselves and their families. But how does one do that in the midst of chaos? Just when the structure in which we are working feels settled, things change. Sometimes a lot of things change. 2024 was no exception. We saw chaos in the world and in our country, as well as in our own little sphere of estate planning. As you'll see from this year's *Estate Planning Year in Review*, many of the topics we've covered with certainty – or at least, as much certainty as we ever can – over the past several years are now up in the air.

Chaos is generally disconcerting. But it sure keeps things interesting. Who says estate planning is boring?

SUNSET OF THE GIFT AND ESTATE TAX EXEMPTION…OR NOT?

"Sometimes we think we know. We're sure we know. But we know nothing. Years pass and eventually, time becomes the unveiler of truth."

- Ruta Sepetys, New York Times best-selling author

For the past seven years, we have reminded you annually that the historically high estate and gift tax exemption amount is scheduled to reduce dramatically at the end of 2025. As of January 1, 2026, the 2017 Tax Cuts and Jobs Act (or TCJA), which doubled the exemption amount, will "sunset." This means that the exemption amount will automatically revert to the 2017 exemption amount of $5.49 million, but then be adjusted for inflationary increases between 2017 and 2026.

Or maybe not.

With President Trump returning to office on January 20th, and Republicans in control of Congress, many now view the sunset as much less of a certainty. After all, one of President Trump's tax policy plans (or, perhaps "concepts of a plan") is to extend the TCJA changes. Without extension, the gift and estate tax exemption will reduce dramatically in 2026 from today's nearly $14 million exemption to roughly $7 million. With a maximum 40% tax rate on net worth in excess of the exemption, those wealthy enough to die with a taxable estate of $14 million in 2026, which would escape taxation if the TCJA is extended beyond the end of 2025, will leave a nearly

$3 million federal estate tax bill if the estate and gift tax provisions of the TCJA sunset as scheduled.

However, making just the estate and gift tax exemption provisions of the TCJA permanent is estimated by Congress' Joint Committee on Taxation to reduce tax revenue to the federal government by around $167 billion over 10 years. That may be a tough pill to swallow for those in the incoming administration who ran on the importance of fiscal responsibility in government.

We will, once again, be waiting and watching to see what Congress does in the coming months. If it appears that the estate and gift tax provisions of the TCJA will not be extended, we recommend that our clients who may be facing an estate tax liability with the lower exemption amount contact us to discuss whether there is a need to engage in any tax planning during 2025 to take advantage of the higher exemption before it is potentially cut in half.

THE POD/TOD ERA

"You can plan for a change in weather and time,
But I never planned on you changing your mind."

- Taylor Swift, multi-Grammy award-winning singer and songwriter, in "Last Kiss"

We have used the *Estate Planning Year in Review* more than once to remind you about the importance of beneficiary designations in your estate plans. Beneficiary designations have always been their own form of mini-estate plan. They can – and typically should – be completed to coordinate with your overall estate plan, matching the flow of your Will or Living Trust. Or, they can be used as a convenient means of passing some of your assets other than in accordance with your other estate planning documents. They are convenient, rarely requiring a witness or notary (unlike a Will or Living Trust), and can often be completed online. If you are charitably inclined and want to be able to change the charity you support without the formality of changing your Will or Living Trust, a beneficiary designation can be a great option. If you want to leave some assets in trust for your beneficiaries, but want the same beneficiaries to receive other assets outright and free of trust at the time of your death, a beneficiary designation may be the best way to accomplish that. There is an attraction to the simplicity of using beneficiary designations to direct the distribution of assets at your death. **But beware**. Using any beneficiary designation without considering how it fits with your overall plan can thwart your overall intent and dismantle the entire flow of your estate plan.

Most of us think about beneficiary designations for assets like retirement accounts, life insurance policies, and annuities. After all, almost everyone has one or more of those categories of assets. But many people don't think as much about beneficiary designations they make, sometimes unintentionally, for other assets. In recent years, beneficiary designation forms have become widely available for investment or brokerage accounts, and for credit union and bank accounts as well. Often called pay-on-death (POD) or transfer-on-death (TOD) designations, many investment companies and banks now provide them automatically upon account opening. As of September 2019 in Maine and as of July 2024 in New Hampshire, transfer on death deeds are recognized as a form of beneficiary designation for real estate. Maine also authorizes transfer on death registration for securities (New Hampshire does not).

You may think you're doing a great thing for your beneficiaries by naming them on these forms. Assets controlled by beneficiary designation, after all, pass outside of the probate process, directly to the individual(s) named, and therefore may transfer to your beneficiaries faster than if they passed first through your Will or Living Trust.

While we agree that POD or TOD designations can be useful to a well-coordinated estate plan, they are often implemented with little to no guidance. When POD or TOD designations become dangerous – and when they can completely upend an otherwise carefully designed plan – is when they are completed without recognizing that they override provisions of your Will or Living Trust. For example, a Will or Living Trust may create a trust for the benefit of an adult, but not yet financially savvy, child to hold assets until that child reaches a later age. Naming that child as your POD or TOD beneficiary of your investment account will cause that asset to bypass the carefully designed structure and protection of the trust, instead landing outright in the child's hands.

Because TOD and POD designations are easy to use and widely available, we often do not become aware of how our clients are using these designations until after their death, when it is too late to change it. Even though beneficiary designations can be completed without legal assistance, it is critical that you are aware of – and comfortable with – how you are designating these assets, always keeping in mind that POD and TOD designations will take priority over anything your Will or Living Trust says. If you ever have any questions

or concerns about beneficiary designations for your assets, please reach out. We are happy to help.

SAME-SEX MARRIAGE – AGAIN – AND ADOPTION

"With the world in a chaos of questions, family should be the answer."

- Anthony Liccione, American poet and author

Same-sex marriage has been legal in the United States since 2015, when the Supreme Court's ruling in *Obergefell v. Hodges* made state bans on same-sex marriage unconstitutional. New Hampshire was ahead of the game, having legalized same-sex marriage effective January 1, 2010. Maine followed suit, legalizing same-sex marriage nearly three years later, effective as of December 29, 2012.

If recent years have taught us anything, though, it's that Supreme Court precedent isn't carved in stone.

With the overturning of *Roe v. Wade* in the 2022 decision of *Dobbs v. Jackson Women's Health Organization* by President Trump's conservative Supreme Court, many worry that an opportunity for the same Court to revisit *Obergefell* may lead to a different result. In fact, Justices Thomas and Alito have voiced their willingness to reverse *Obergefell* if given the opportunity.

Of course, *Dobbs* didn't make abortion illegal - instead it removed federal protections for abortion and left the decision of who has access to abortion, and when, to each individual state. This has resulted in a patchwork of abortion access across the nation. Many fear the same will happen to same-sex marriage if the Court has an opportunity to revisit *Obergefell*.

However, even if the Supreme Court revisits *Obergefell*, and even if the Court overturns it, it is unlikely that existing same-sex marriages would be invalidated. That comfort comes courtesy of the Full Faith and Credit Clause of the United States Constitution, which requires that every state recognize and respect legal acts, proceedings, and documents from other states. For that reason, many unmarried same-sex couples, fearing an overturning of *Obergefell* and a resulting checkerboard of state laws that either legalize or prohibit same-sex marriage, are "tying the knot" now, while federal protection and recognition of same-sex marriage exists.

Even if marriage between same-sex couples is not under imminent attack, some worry that the incoming administration may chip away at other rights currently enjoyed by same-sex couples, for example, by limiting their access to *in vitro* fertilization or other forms of assisted reproductive technology, or by limiting or doing away with the parental rights of the non-birth or non-biological parent of the same-sex couple. While some commentators feel this is an overreaction, it may not be unreasonable to be concerned. Within the past two years courts in both Oklahoma and Pennsylvania stripped the non-gestating parent of a same-sex couple of her parental rights in the context of a divorce – rights that aren't lost when opposite-sex couples divorce.

Parentage is generally established through the marital presumption, which states that a child born to a marriage is the child of the married couple. Some states – including Maine, but not New Hampshire – allow parents to sign an Acknowledgement of Parentage to establish parentage. For those non-birth or non-biological parents who are not comfortable relying upon a presumption or an Acknowledgement of Parentage and instead want the formality of a court order to solidify their rights, Maine and New Hampshire offer confirmatory adoption. Confirmatory adoption is a streamlined adoption proceeding for individuals who are already parents of their children, through an Acknowledgement of Parentage, the marital presumption, or otherwise, but who want to confirm parental rights through an adoption decree by the court. It requires the parents to make filings with the court, and New Hampshire requires a court hearing (Maine does not), but there are generally fewer requirements than a standard adoption.

Not surprisingly, given the uncertainty surrounding the rights of non-birth or non-biological parents, some clients have informed us that they plan to now legally adopt their children. We are fortunate that our states provide streamlined, relatively easy legal avenues to do so. "Streamlined" and "easy" are not words typically used to describe legal processes, and perhaps we should just be grateful to live in states that offer them. But, no matter where we fall on the political spectrum, we expect that many of us can agree that it is a sad state of affairs when parents who have done no wrong have to jump through legal hoops – and the expense and stress that come with those hoops – to establish rights to their own children.

In addition to the legal formality of adoption, non-birth or non-biological parents can also protect the rights of their children through their estate planning documents. Unmarried couples – same-sex or not – can also do the same for their partner. A properly drafted Will or Living Trust can make provisions for a child or partner,

regardless of a formal, legal relationship. Similarly, a person can sign a Financial Power of Attorney or Health Care Directive designating their partner or their adult, non-biological child as Agent to make decisions for them. Without a legally-recognized relationship, absent such documents, the presumptions provided under state law regarding who a person's beneficiaries are and who shall have authority to make financial or medical decisions for them should they become incapacitated may not grant the unmarried partner or non-birth or non-biological parent or child any rights.

CORPORATE TRANSPARENCY ACT – ON, THEN OFF, THEN ON AGAIN, AND NOW OFF AGAIN?

"No one welcomes chaos, but why crave stability and predictability?"

- Hugh Mackay, Australian psychologist, founder of The Mackay Report (now known as The Ipsos Mackay Report)

Many of our clients invested significant time during 2024 complying with the requirements of the Corporate Transparency Act, or "CTA". We wrote to you in detail about the CTA last year, and our business colleagues have sent newsletters to their clients as well. As you may recall, the CTA's purpose is to require the disclosure of information about certain business entities, so that the Financial Crimes Enforcement Network (FinCEN) is better able to detect those who may use business structures for criminal purposes. The CTA went into effect on January 1, 2024. Under the CTA, many small business entities were – and then weren't, and then were again, and as of printing of this newsletter (January 16), are not again – required to file information about the business itself as well as its "beneficial owners". Entities formed before January 1, 2024 were required to file their Beneficial Ownership Information (BOI) reports by January 1, 2025. Or so we thought.

Not surprisingly, many businesses came out strongly opposed to the CTA before its enactment. Also not surprisingly, 2024 saw several legal challenges to the CTA. On March 1, 2024, a federal judge in Alabama ruled that the CTA was unconstitutional, but only as to the specific plaintiffs in that case – members of the National Small Business Association. Since then, numerous other challenges have been heard – and rejected. Additionally, several bills that would extend filing deadlines under the CTA have been delayed in Congress.

More recently, a Texas federal court issued a preliminary injunction against the CTA on December 3rd. In doing so the judge ruled that the CTA was unconstitutional and imposed a nationwide ban on its enforcement. Those businesses who had been waiting out the court challenges and hadn't yet filed their BOI reports likely breathed a sigh of relief, thinking that they would be spared from the cumbersome and invasive filings required by the CTA. That relief, however, was short-lived. The Fifth Circuit Court of Appeals lifted the ban on Monday, December 23rd, reinstating the CTA's reporting requirements, but extending the deadline from January 1st to January 13th. Just as those who hadn't yet filed started – once again – to gear up to file, a different panel of the same Fifth Circuit Court of Appeals re-instated the ban on December 26th. An announcement on FinCEN's website currently (at least, as of sending this newsletter to the printer) provides that "In light of a recent federal court order, reporting companies are not currently required to file beneficial ownership information with FinCEN and are not subject to liability if they fail to do so while the order remains in force." Of course, FinCEN is happy to collect the BOI reports for those who voluntarily choose to comply in the meantime.

So what does this mean? Currently, entities do not need to comply with the BOI reporting requirements of the CTA, but they can if they want to…and they may have to again if the government prevails on appeal.

But what will happen to the appeal with the incoming administration? Will an administration promising less government regulation and more government efficiency continue pursuing an appeal that, if successful, would require the disclosure – and government collection – of the ownership information of an estimated 30 million entities? Stay tuned.

DISCLAIMER: This section of our newsletter has changed four times since we began drafting this edition of the *Estate Planning Year in Review* late in 2024, and it's quite possible that it may be outdated before it hits your mailboxes. As of December 31st, the Department of Justice filed an emergency request with the Supreme Court asking the Court to reinstate enforcement of the CTA and the BOI reporting requirements. If you have any questions about the enforceability of the CTA, please reach out to us or your business attorney, or check our website for the latest update on the reporting requirements.

IS IT TIME TO UPDATE BUSINESS LIFE INSURANCE BENEFICIARIES?

"Life is nothing without a little chaos to make it interesting."

- Amelia Atwater-Rhodes, American author

Many of our estate planning clients are also business owners, and we, along with our business colleagues, frequently advise them on succession planning issues. Everyone's hope, of course, is for a transition during lifetime in anticipation of a well-deserved retirement. But what happens when a business owner dies unexpectedly?

In the case of a single owner who provides a service, without tangible assets like machinery or equipment, the answer is easy, albeit dissatisfying – the business generally dies with the owner. In the case of a business with more than one owner, or with senior personnel who have the knowledge and ability to continue the business, it can survive – and even thrive – following the death of an owner.

Perhaps the deceased owner's spouse or children will inherit the business interest, and the financial benefit that goes along with it. More often, though, those remaining owners or key personnel are not interested in being involved in a business with a former owner's spouse or children. The solution in that common scenario is instead for all the owners of the business to enter into some form of buy-sell agreement – before any of the owners die. Such an agreement generally requires that the business itself or the remaining owners buy a deceased owner's interest upon death. Because there's rarely sufficient liquidity in a business to accomplish a buyout immediately upon an owner's death, at least without jeopardizing the financial viability of the business, businesses often rely upon life insurance policies to fund the company's or remaining owners' buyout obligations.

Life insurance in a buy-sell arrangement uses one of two typical structures. In the first, the business owns life insurance policies on each owner, and is also the beneficiary of the death benefits. When an owner dies, the life insurance proceeds are paid to the business. The business then redeems – or buys – the deceased owner's interests, with the purchase price going to the deceased owner's beneficiaries, generally their spouse or children, or trusts for their benefit.

In the second structure, each owner of the business owns a life insurance policy on each other owner, and is also the beneficiary of each such policy. When an owner dies, the life insurance proceeds flow to each remaining owner. The remaining owners then purchase their pro rata share of the deceased owner's interests, again with the purchase price going to the deceased owner's beneficiaries.

These arrangements used to be treated as a wash, for tax purposes. Life insurance proceeds themselves are (usually) income tax-free. And, until last year, life insurance proceeds didn't affect the value of the business – after all, they were going to go right back out the door to satisfy the business' obligations under the buy-sell arrangement, so how could they be treated as an asset? The Supreme Court invalidated that reasoning in its decision in *Connelly v. United States* in June 2024, giving many business owners reason to revisit the life insurance policies that are used to fund buy-sell arrangements.

Connelly held that the death benefit of a life insurance policy that is payable to a company needs to be included in determining the value of that company for certain calculations – and that the increased value of the company due to receipt of death benefits is <u>not</u> offset by an obligation to use those death benefits to redeem the deceased owner's interest in the company.

So, what does this mean from an estate planning perspective? Our business owner clients – or, more accurately, their beneficiaries – will still (often) receive the same benefit from the buyout whether the life insurance proceeds flow to the company or to the remaining owners. However, there is an estate tax consequence to the deceased owner's estate if the proceeds flow to the company. While pre-*Connelly*, companies treated their redemption obligation as a liability that would fully offset the death benefit they received, resulting in no change to the business value, post-*Connelly* business valuations must count the life insurance proceeds as an asset when determining value, without counting the redemption obligation as a liability. Therefore, a $5 million life insurance policy payable to a company to fund a $5 million buyout of a deceased owner will increase the company's value by $5 million, and, importantly for estate tax purposes, the deceased owner's interest in the company will therefore also increase by their pro rata share of that $5 million. In the context of a taxable estate, this increase in value can result in a huge additional – and often unexpected – estate tax burden.

An increased value of the deceased owner's interest for estate tax purposes may be okay, though, since it comes with a greater buyout price for the beneficiaries, too, right? Not always. The beneficiaries will only

see a greater buyout price if the buy-sell agreement determines the purchase price by reference to fair market value. But even if it does, there's often an express carveout in the agreement for any life insurance flowing to the company as a result of the deceased owner's death: After all, the parties never viewed the life insurance proceeds as a true asset of the company that would increase its value.

Instead of the deceased owner's beneficiaries receiving a financial benefit in the form of a larger buyout price for the deceased owner's business interest, in some cases *Connelly* will result in a double-whammy to the beneficiaries. If the buy-sell agreement describes the buyout price in terms other than the business' fair market value, such as a commissions multiple, or prior years' earnings, there will be no increase in the buyout price due to the life insurance proceeds. And, as noted above, if the agreement carves out the amount of life insurance proceeds from the determination of fair market value for purposes of determining the buyout price, there's no increase due to the life insurance proceeds. In these cases, the parties are bound by the agreement for purposes of determining the buyout price. However, under *Connelly*, the IRS doesn't care what the parties agree to when setting a buyout price. Instead, the IRS determines estate value using a fair market value, disregarding any agreement among the parties. That means that the death benefits will increase the value of the company for the deceased owner's estate tax purposes. The beneficiaries receive a buyout at the lower, agreed upon price, but the estate faces a value for estate tax purposes at the inflated price.

What is the solution? As with everything else, the estate tax is only one of many factors to consider when designing a succession plan. That said, businesses can avoid triggering an increase in the business' value at the death of an insured owner by using the alternative insurance structure noted at the beginning of this section. Rather than a redemption structure, where the company owns a policy on each owner's life, the buyout can be structured as a "cross-purchase", where the company's owners own policies on one another's lives, and the remaining owners – not the company – are the policy beneficiaries, obligated to buy out the deceased owner's interests. Consequently, no death benefits are payable to the company, so the company's value does not increase – for purchase or estate tax purposes. This may make good sense when there are only a few owners of the business, but becomes quickly administratively burdensome with more than a few owners involved, because each has to own a policy to cover their buyout obligation of each other owner. For example, if there are only two business owners, each will purchase a life insurance policy on the other's life, requiring the purchase of two policies. If there are three business owners, each owner will need to purchase a policy on the life of each of the other two owners, requiring the purchase of six policies. With four business owners, the number of policies increases to twelve. With five owners, the number of policies increases to twenty. Our business owner clients should consult with their business attorneys and with us to determine whether a change to their current buy-sell structure would be wise in light of the decision in *Connelly*.

THE FEDERAL GIFT AND ESTATE TAX EXEMPTION

Effective January 1, 2025, the federal gift and estate tax exemptions are unified at $13.99 million per taxpayer, representing an increase of $380,000 from the 2024 exemption of $13.61 million. A person may use their $13.99 million exemption during lifetime or upon death. The maximum tax rate on transferred net worth over the estate tax exemption threshold remains 40%. Any exemption consumed during life through gifting reduces dollar-for-dollar the estate tax exemption available at death.

The federal exemption is portable – meaning that a surviving spouse can elect to use their deceased spouse's unused federal exemption amount, making it possible for a married couple dying in 2025 to leave their beneficiaries nearly $28 million free of estate tax without including estate tax savings provisions in their estate planning documents.

Again, under current law, the 2025 increase is the last scheduled increase of the gift and estate tax exemption. On January 1, 2026, the exemption is set to revert to the level applicable in 2017, adjusted for inflation to 2026. Based on inflationary adjustments to date, we expect the 2026 gift and estate tax exemption amount to be approximately $7 million... if Congress doesn't act to avoid the sunset. The incoming administration certainly has time to act before January 1, 2026, and will act if President Trump makes good on his campaign pledge to extend the TCJA.

The generation-skipping transfer tax exemption is tied to the gift and estate tax exemptions, and also increased to $13.99 million on January 1, 2025.

The annual federal gift tax exclusion amount has increased again this year, now to $19,000 for gifts made in 2025. The annual gift tax exclusion permits a person to give $19,000 per year to as many recipients

as desired, without using any of the giver's $13.99 million federal gift and estate tax exemption. Married couples can also elect to "split" gifts, allowing them to make total gifts of $38,000 per year to as many recipients as they desire, even if more than one-half of the gift comes from only one spouse's assets. Direct payments of tuition and certain medical expenses are not subject to gift tax, meaning that those gifts may exceed the $19,000 annual gift tax exclusion without reducing the $13.99 million exemption.

The annual gift tax exclusion for gifts to non-U.S. citizen spouses increased to $190,000 on January 1, 2025, from $185,000 in 2024.

Neither Maine nor New Hampshire has a separate gift tax, but gifts made within one year of death are included in the calculation of Maine estate tax.

THE MAINE ESTATE TAX

As of January 1, 2025, Maine is one of the solid minority of states that imposes its own estate or inheritance tax, separate and additional to the federal estate tax. The Maine estate tax exemption amount increased to $7 million for those dying in 2025, up from the 2024 exemption of $6.8 million. Estate value in excess of the exemption amount is taxed at rates of 8% for the first $3 million over the exemption, 10% on the second $3 million, and 12% on anything more than $6 million in excess of the exemption.

Unlike the federal exemption, the Maine exemption is not portable. If the first spouse to die does not use any of their Maine exemption because all assets are left to the surviving spouse, therefore qualifying for the unlimited marital deduction, a potential tax shelter – the exemption of the first spouse to die – is wasted. The surviving spouse will then have only their own Maine exemption amount to apply to the taxable estate at their later death. While that may be fine for those married couples with combined estates comfortably below the Maine exemption amount, those with combined estates valued at more than $7 million are well-advised to design their estate plans with enough flexibility to account for the lack of portability of the Maine exemption.

NEW HAMPSHIRE – THE FAIRER ESTATE TAX STATE

Our New Hampshire clients reside in one of the 33 states that imposes neither an estate tax nor an inheritance tax.

STATE OF THE ESTATE REVIEW

"In the midst of chaos, there is also opportunity."

- Sun Tzu, Chinese military general, philosopher and writer

How do all the changes we've reported this year – or in any given year – impact your own personal planning? Perhaps not at all. While we certainly hope that all our clients will find at least some of the articles in each of our editions of the *Estate Planning Year in Review* useful and relevant, more than that, we hope that you will use this annual outreach from us as a reminder to take stock of your plans. Even if you don't feel that you need to reach out to us for updates in light of the information we are providing here, remember that it doesn't take a change in the law to make updates to your documents necessary – general life changes are typically the most compelling catalyst warranting a review of, and possibly updates to, your documents. We take pride in designing estate plans that are flexible, but we can only work with the information we have at the time we draft the documents. We rely on you to let us know when your circumstances have changed in such a way that your documents should be reviewed and possibly updated. Estate planning is not a one-and-done proposition. Rather, it is a process, for all of us – as your own lives and goals evolve over time, so too do the techniques available to us as planners.

Remember: Absent your request to schedule a review of your documents, we will not be responsible for reviewing or updating your estate plan to reflect changes in the law, or for any other purpose.

TEAM PLAYERS

"I don't like it when a player says, 'I like freedom; I want to play for myself.' Because the player has to understand he is part of a team with 10 other players. If everyone wants to be a jazz musician, it will be chaos. They will not be a team, and nothing will be possible."

- Josep "Pep" Guardiola, Spanish soccer (a.k.a. football) manager

What makes Drummond Woodsum a leader among law firms in Maine and New Hampshire is the combined strengths of its individual attorneys. If not for the individual talents and group mindset of our deep bench of players, we would not be the outstanding law firm we are today. Our trusts and estates attorneys provide top-notch planning and administration services for our clients. We also serve as fiduciaries and as counsel to fiduciaries, and provide succession planning for our large and small

business owner clients. In addition, our colleagues at the firm provide the best legal services in real estate, intellectual property, general business matters, and litigation as well. We are pleased to be able to provide our clients with high level services in all the areas we practice in.

For the 8th year in a row, Drummond Woodsum has been recognized as one of the *Best Places to Work in Maine*. In addition to this firm-wide recognition, many of our individual attorneys have been recognized for the excellent quality of their work. Forty-seven lawyers from 45 practice areas are listed in the current edition of *The Best Lawyers in America*, and seven lawyers were named as 2024 Lawyers of the Year by *Best Lawyers*. Twenty-three lawyers in three offices were selected by peers for inclusion in New England *Super Lawyers* and *Rising Stars by Super Lawyers* for the current year.

David Backer, John Kaminski, Jana Magnuson and Jessica Scherb were each recognized by *Super Lawyers* and/or *Best Lawyers* for their work in trust and estate planning and probate, and John was also recognized for his skill in tax law.

Both David and John are elected Fellows of the American College of Trust and Estate Counsel. A lawyer cannot apply for membership in the College. Fellows of the College are elected by their peers on the basis of professional reputation and ability in the fields of trusts and estates. David was one of only six lawyers in Maine recognized by this year's Chambers *High Net Worth Guide* as a "Band 1" lawyer - the highest distinction awarded by Chambers - in the realm of Private Wealth Law. Chambers' reviews of David, based on interviews with other professionals in the field of private wealth law, say: "(He) is really an extremely strong practitioner," enthuses a source, adding, "He's technically strong and is also very dedicated to improving the trust and estates practice in Maine. He is well known for his sophisticated trust and estate work." David has been consistently ranked in Band 1 since 2017. Jana Magnuson is also recognized in this year's Chambers *High Net Worth Guide* as a "Band 2" lawyer, for her 5th consecutive year. The *High Net Worth Guide* covers the private wealth market in key jurisdictions around the world and is designed to be an all-encompassing resource for high net worth individuals and their advisors.

David is in the final year of his fifth three-year term as a member of Maine's Probate and Trust Law Advisory Commission, created by the Maine Legislature in 2009, and has served as Chair of the Commission since its creation. The Commission, made up of lawyers and judges, is charged with conducting a continuing study of the probate and trust laws in Maine and making recommendations to the Legislature for how those laws may be improved.

Jana Magnuson represents and advises individuals, families, trustees, and other fiduciaries in a wide range of trust and estate planning and administration matters. Clients have expressed their appreciation of Jana's strong professional guidance, "sound advice," and skills in "managing sensitive issues and people." In addition to her inclusion in the Chambers *High Net Worth Guide* and *Best Lawyers*, she has been recognized for her pro bono estate planning work with terminally ill, low-income clients.

Jessica Scherb is licensed to practice in both Maine and New Hampshire, where she provides estate planning and trust and estate administration services, plus a broad range of business services. She authored a chapter in *"A Practical Guide to Maine Probate"*, published initially in 2020 with an updated edition released in 2023. She also provides pro bono services for United States veterans through her work with the Pine Tree Legal Assistance *"Wills for Heroes"* project. In addition to her inclusion in *Best Lawyers*, Jessica has been recognized as a *Super Lawyers Rising Star* in estate planning & probate as well as mergers & acquisitions.

Chris Stevenson is a tax attorney and certified public accountant. We turn to Chris for input on the many tax issues inherent in trust and estate planning and administration. Chris also regularly advises clients with respect to federal gift taxation and prepares federal gift tax returns. In addition to being recognized in *Best Lawyers* for his skill in tax law, Chris is ranked in the *Chambers USA Guide* for Employee Benefits & Executive Compensation.

We regularly turn to Jeff Piampiano when disputes arise in estate and trust administration. Jeff has been a litigator at Drummond Woodsum for more than 20 years and serves as co-chair of our Trial Services Group. Jeff has a keen understanding of the business and fiduciary-related aspects of disputes relating to trusts and estates, and is always ready to offer prompt, business-minded, and sound legal advice on trust and estate litigation matters. Jeff is regularly recognized by *Best Lawyers* and the *Chambers USA Guide* for his litigation skills.

THANK YOU FOR YOUR TRUST

We take seriously the trust you place in us and will continue to do everything possible to continue to earn your trust.