



May 2018



Hello to all my Clients,

Summer is almost here, with some trips planned and family get-togethers. Since I gained a daughter-in-law and a son-in-law in the



last couple years, the family keeps growing. Speaking of growing, my grandson is doing great. He got his first tooth and is crawling. I forgot how much fun kids this age are! It's also fun to give them back! I told my son that he had it easy and he was a much tougher baby. That's what grandparents are supposed to say right?

Give us a call if you have questions about

business formations, contracts and mergers, or estate planning, wills and trusts. I look forward to meeting with you, and of course, welcome referrals. I am honored to help your family and friends.

Best Regards,

Steve



I'm still co-hosting **Idaho's Money Show** Monday-Thursday weeknights from 6-7pm, and we moved to KBOI – 670 AM. Listen live on your computer at KBOI.com – archives at idahosmoneyshow.com. Call in at 800-529-5264, or email anytime. We welcome your

feedback, questions or comments on the topics of the day.

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Defining the No-Contest Clause: What it Means and Why it is Used

One common element of a will or a trust is a “no contest clause.” This is a well known, but also a somewhat misunderstood term. We include a no contest clause in order to discourage frivolous and time-consuming challenges to a will or trust. The clause usually states that any of the beneficiaries or designees who challenge the validity of the document will forfeit their share of the estate.

Using a no contest clause can motivate heirs who are disappointed to accept the will or negotiate instead of forcing a battle in court. If you are writing a will or trust that you believe may be received badly by the heirs, it is important to list beneficiaries who might contest the document and list their exact bequests. It stands to reason that they have to have a well defined inheritance, literally something to lose – in order to be convinced to drop any challenge.

The no contest clause only applies to a direct challenge to the document. Direct challenges are calling into question the deceased's state of mind or even that the document is fraudulent. For example if an heir is questioning their share, and think they are entitled to more of the assets, they must prove in court that their parents were not of sound mind when they made the will, or that they were under undue influence of another party.

Since the no-contest clause only applies to direct challenges to the document, it does not apply to challenging the actions of the personal representative or the trustee. If the proceedings are taking an inordinate amount of time, or the personal representative is not communicating with the heirs, it is perfectly acceptable to question them. That person should be acting in the best interest of all parties involved, and this is not a challenge to the document. Call if you have any questions. Our team can help you create a will and/or any other estate plans.

Full Article at:

<https://www.capitalcitylawoffice.com/defining-the-no-contest-clause/#/>