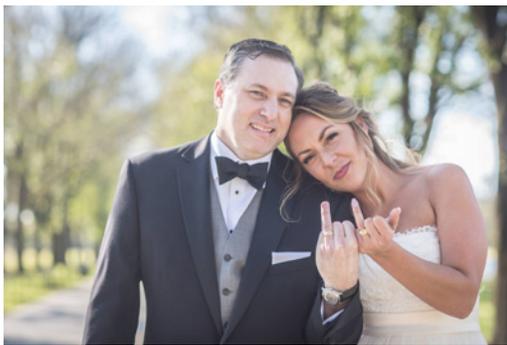




Check out our website at [capitalcitylawoffice.com](http://capitalcitylawoffice.com)

July 2019

Hello to all my Clients,



I've made some changes in my practice and my life that I'd like to let you all know about. Molli and I got married last Fall and consolidated households. She

has started a business sewing custom blankets of all sizes and is selling them online and in craft boutiques.

I would like to welcome Wendi Combs as my new legal assistant. She has a background in HR and corporate law and has over 20 years experience with companies in the Treasure Valley. Kris Sperry has moved on to another firm; we wish him well and will be rearranging to finish any of his projects here. 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 as always, 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](http://KBOI.com) – archives at [idahomoneyshow.com](http://idahomoneyshow.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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### What is the “SECURE” Act and What does it Mean for Your Retirement?

We have been watching the recent legislation regarding personal finance and wanted to call your attention to a bill that passed the House in May 2019 (417-3) called The SECURE Act (Setting Every Community Up for Retirement Enhancement). The Senate will be looking at a similar bill this summer called the Retirement Enhancement Securities Act (RESA). There are several major changes to retirement accounts proposed.

The Required Minimum Distributions Age would be raised to 72, or even 75 instead of 70 1/2. Insurance Agencies would be allowed to sell in-plan annuities inside a 401K. The biggest change would affect inherited retirement accounts by removing the “stretch” provision allowing heirs to keep inherited funds in a tax protected status. The Supreme Court has ruled that that inherited accounts are not “retirement” accounts, and taking this into account, the new Acts in both the House and the Senate would make significant changes to inherited retirement plans like 401(k)s, traditional IRAs, and Roth IRAs. In the past, beneficiaries of these accounts could typically spread the distributions over their own life expectancy.

The new bills include what is viewed as tax-generating provisions to require most beneficiaries to take out funds and clear the account over a 10-year period. If the IRA was worth \$500K for example, you would be required to take out \$50k a year for ten years, raising your own income and tax burden. Proper retirement and estate planning including more strategic Roth conversions during the life of the account owner will benefit your family in this circumstance.

We will keep you up to date on the outcome and the votes. Contact your representatives with your opinion of this new legislation.

<https://www.idaho.gov/government/elected-officials/>