

~ ~ February 28, 2013 ~ ~

News of Interest
from
SPEIDEL LAW FIRM

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**Just a few notes about our attorneys.....**

In February, **David Bentsen**, who was selected by the Wenatchee Valley Business World as one of the 2012 “30 Under 35” exceptional young professionals, presented to the Wenatchee School Board a report he co-authored on the topic of Business Learning Partnerships. The report was one component of the School District’s Wenatchee Learns initiative. Based on interviews and surveys conducted by the 2011 and 2012 Wenatchee Valley Business World “30 Under 35” honorees, the report concludes that Business Learning Partnerships, including internships and project-based learning opportunities, can provide Wenatchee high school students with valuable practical experience. David’s group found the key to success is to have a central contact who can implement screening mechanisms to match students with suitable business partners.

**Attorney Russell J. Speidel** has been helping lead a state-wide group of estate planning professionals in opposing a retroactive tax that is being sought by the Washington Department of Revenue (“DOR”) in the current 2013 Legislative Session. DOR is seeking to overturn the result in a case called Estate of Bracken decided by the Washington Supreme Court in October, 2012, reconsideration denied January, 2013. In the Bracken case the Court held that the Washington estate tax does not apply to transfers to a Qualified Terminable Interest Property (“QTIP”) Trust for the benefit of a surviving spouse, when made from the estate of a decedent dying before May 17, 2005. This is a critical date because on May 17, 2005, the Washington estate and transfer tax was enacted. Prior to that date Washington did not have an estate or transfer tax, but only what was called a “pickup” tax applicable to decedents’ estates. The rule of the Bracken decision is that the QTIP trust of a decedent who died before May 17, 2005, cannot be taxed by Washington in the estate of the surviving spouse because there was no provision in our state law that would allow a decedent’s estate to defer estate taxation or allow DOR to tax a QTIP trust. House Bill 1920 drafted by DOR seeks to change the result in Bracken and tax similar transfers from estates both before and after May 17, 2005, in the estate of the surviving spouse. This means for those taxpayers with facts identical to Bracken, if the taxpayer did not join in the litigation of the Bracken case, that taxpayer would receive the opposite result of Bracken. Through HB 1920 the DOR is seeking to retroactively tax transfers that occurred before May 17, 2005. The retroactive nature of this proposed estate tax raises serious constitutional issues.

We want to let you know that **Attorney Mike Bradford** has left Speidel Law Firm to work full time as the prosecuting attorney for the City of Wenatchee in Chelan County District Court. We wish Mike well as he moves on in his chosen career path. While we were sorry to see Mike leave, you can rest assured that Attorneys David Bentsen and Russell Speidel are completely informed and up to date regarding all of the projects on which Mike was working. As always, we look forward to continuing to provide all of our clients with excellent legal services in the most cost effective and efficient manner possible.

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Daylight Saving Time is upon us again and Spring is in the air. Enjoy!

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