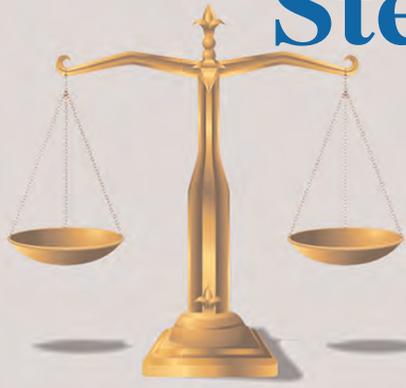


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## Why You (May) Need A Personal Injury Lawyer

While many of us enjoy being handy, there's a time when it doesn't pay to "do it yourself" – when you or a loved one has been injured. Rather than trying to handle personal injury claims yourself, there are several reasons to consider the assistance of a personal injury lawyer.

### (1) EXPERIENCE

By hiring a personal injury lawyer, you take advantage of the lawyer's experience on many issues.

This may be *your* first time dealing with an insurance company, but an experienced lawyer has faced the challenge many times.



### (2) LEVEL PLAYING FIELD

You can be sure that the "other guy's" insurance company is going to have experienced adjustors and lawyers working against you.

Often, an insurance company delays settling claims and even denies valid claims.

Even when they offer to settle the case, the settlement offer may be unfairly low. It pays to have a lawyer on your side to advise you.

### (3) DEAL WITH MEDICAL PROVIDERS

An experienced lawyer can advise you regarding unpaid medical bills (insurance companies rarely pay medical bills until final settlement). Your attorney can show you how to satisfy these bills without spending your money.

### (4) PAYMENTS

This law office works for what is called a "contingent fee," which does not require

money upfront. Contingent fees allow injured persons with valid claims, but little money, to get good legal representation.

*Also, our contingent fee agreements provide that you only have to pay the lawyer's fee if you win.*

### (5) OTHER ISSUES

In addition to the injury claim, your lawyer can help you resolve other related matters, such as a list of competent doctors and repair shops.

### (6) MAYBE YOU DON'T NEED A LAWYER... IF...

- (a) Medical bills are less than \$2,000.
- (b) No visible damage to your car.
- (c) You didn't seek prompt medical attention.
- (d) You didn't follow your doctor's orders.

If you have been injured, don't "do it yourself." Seek the help of an experienced professional to ensure you get what you are due.

Call, write or visit our website for more information:

[www.steffensinjurylaw.com](http://www.steffensinjurylaw.com)

## A Note From Bill

*At last, the long hot summer is behind us. Fall, my favorite season in Nebraska, has arrived. Football is underway, kids are back in school, combines have begun appearing in fields, and hunters are making harvest plans of their own. If you own a bicycle, now is the perfect time to dust it off and inflate the tires. Jeremiah is already marking out days on his calendar for duck hunting, and I will soon be running my eighth 5K race this year.*

*I hope you too are able to take some time to fully enjoy this beautiful season.*

# Been Sued by a Collection Agency? (Now What?)

Once you get over the shock of being sued, there are steps you can, and should, take to protect yourself.

Every defendant (that's you) has the right to file an "answer" denying the contents of the creditor's "claim." If you decide not to hire an attorney, the brave at heart can print out the following on a sheet of paper:

*I, (your name), a defendant in this case, hereby deny any and all claims made against me in the Complaint.*

Then sign your name at the bottom, insert the date and your case number, and ask the court clerk to file it in your case.

Once your "answer" has been filed, or accepted by the court if filed out of time, the collection agency is temporarily prevented from obtaining a judgment against you. Without a judgment, the creditor is unable to snatch your property or money from your wages or bank account.

Now, here are your options:

## 1. LITIGATION

Depending on the facts of your case, you may have a cost-effective defense that can be proven at trial:

- (a) The statute of limitations – typically five years;
- (b) Prior payment (partial or full)

which has not been accounted for by the creditor;

- (c) Significant, conscience-shocking over charging; or
- (d) Mistaken identity.

## 2. DEBT CONSOLIDATION

While the ads on television and radio are tempting, we strongly advise against retaining the services of a "non-profit" debt consolidation company. The ads sound wonderful, almost too good to be true. Unfortunately, they are just that.

Typically, you pay the debt consolidation company several thousand dollars, they never settle a debt, and the collection company sues you anyway.

Steer clear of this "trap" and consider one of the other options listed.

## 3. DEBT SETTLEMENT

This can be an appropriate way to resolve your lawsuit, in the right set of circumstances. Two alternatives may be available to you:

### (1) A Payment Plan

The collection agency may be willing to set up a payment plan to satisfy the debt instead of garnishing you. Expect the



creditor to require payment in full, within six months or less.

Get the plan in writing – with someone who has authority. You will likely have to agree to a judgment specifying the payment plan, and if you miss a payment, you can be garnished.

### (2) A Lump Sum Settlement

This option requires a large amount of cash to be paid to the collection agency, in exchange for full satisfaction of the debt and dismissal of the lawsuit.

Basically, the creditor reduces the amount you owe in exchange for a one-time, lump sum payment. Consider hiring an attorney to get the best possible deal from the creditor.

## 4. BANKRUPTCY

This is your final option. It is intended only for people who are in dire financial need. If your unsecured debts do not exceed \$10,000, or the majority of your annual income, you are probably better off using one of the other options. We recommend attempting the other options outlined above, before resorting to this one.

Every person that files a bankruptcy, either a Chapter 7 or a

Chapter 13, is immediately protected by a very powerful law called the "automatic stay". This stops creditors in their tracks.

"Exemptions" allow most debtors, in these circumstances, to keep their home and a vehicle to go to and from work.

Any one wanting to file bankruptcy should obtain the services of an experienced bankruptcy attorney. Bankruptcy law contains many traps for the inexperienced.

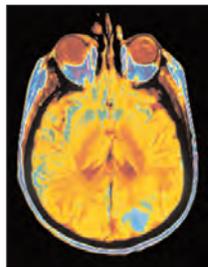
Your *best* option is always the one that is legal, fits your circumstances, and resolves your financial problem in a way that is acceptable to you.

Call or write us for more information on this topic. You may wish to visit our website at [www.steffensbankruptcy.com](http://www.steffensbankruptcy.com). You will find a virtual library of information about debt collectors, debt settlement, bankruptcy, and more. ■

## Thanks for the Referrals

Our success depends on your continued satisfaction, and on the family and friends you refer to us.

Thanks for your help. We appreciate the trust that you have placed in us. Please continue to remember to pass our name on to people who could use our help.



The Experts now believe that you can prevent, or at least delay, dementia – even if you have a genetic disposition.

## 1. Get Moving.

If you only do one thing to keep your brain young, exercise. Higher exercise levels can reduce dementia risk by 30% to 40%.

## 2. Seek Out New Skills.

Learning is, for your brain, what Rogaine is, for your hair – it spurts the growth of new

# Age Proofing Your Brain Seven Easy Ways to Stay Sharp Forever

brain cells. Whenever you challenge your brain, you increase, not only brain cells, but also the number of connections between those cells.

## 3. Eat Like a Greek.

A heart-friendly Mediterranean diet: fish, vegetables, fruit, nuts, and beans – reduces Alzheimer's risk by 34% to 48% in studies conducted by Columbia University.

## 4. Spice it Up.

Your brain enjoys spices as much as your taste buds do. Herbs and spices like black

pepper, cinnamon, oregano, basil, parsley, ginger, and vanilla, are all high in antioxidants, which may help build brain power.

## 5. Get a Social Life.

Having multiple social networks helps lower dementia risk, according to a 15 year study of older people in Sweden. A rich social life may protect against dementia by providing emotional and mental stimulation.

## 6. Reduce Your Risks.

Chronic health conditions like

diabetes, obesity, and hypertension are often associated with dementia. Diabetes, for example, roughly doubles the risk for Alzheimer's and other forms of dementia.

## 7. Check for Vitamin Deficits.

Older adults don't always get all the nutrients they need from foods, due to declines in digestive acids or because their medications interfere with absorption. A vitamin deficit - particularly Vitamin B12- can also affect brain vitality, according to clinical research. ■

# Beware, the Fed's Estate Tax Exemption is Changing!

I have some bad news, and some good news....The bad news is that there are dramatic changes in estate taxation on the way that will probably affect your estate. The good news is, you have some "options" to deal with it.

Beginning on January 1, 2013, the federal estate tax exemption will automatically reduce from five million dollars down to one million dollars. The "exemption" that I am referring to serves as a shield. When the "exemption" reduces to one million dollars, that part of your estate exceeding one million dollars will be taxed.

The really bad news: If an estate falls into a federal inheritance tax category, the rate is approximately 50%. For example, if an individual dies leaving a two million dollar estate, after January 1, 2013, the first million dollars of his estate would be exempt from federal and state taxes, and only a 1% tax would be paid. However, on the second million dollars of the estate, approximately 50% (\$500,000) would be due in inheritance taxes.

I don't want to sound like an alarmist, because Congress could act quickly to change the law. However, based on recent history, what is the likelihood of that? Many analysts predict that this reduced inheritance tax exemption will take effect.

Now for the good news: you do have some options to avoid federal inheritance tax. Basically there are three approaches which can be used: 1) Increase your exemption; 2) Begin gifting your estate now; and 3) Purchase insurance to cover the cost of a steep inheritance tax.

## 1. INCREASE YOUR INHERITANCE TAX EXEMPTION

The easiest, and least expensive, way to increase your exemption is to employ a revocable trust. If you are married, and do not have a revocable trust, you and your spouse share

the same federal inheritance tax exemption. Through the use of a trust, you are able to double this exemption.

A "revocable trust" sometimes known as a "living trust" or an "intervivos trust", is a legal depository for your valu-



able assets with instructions explaining who is to receive your assets after you die. While you give up ownership of your assets, you retain control of them. Such a trust can be amended or revoked at any time.

As legal documents go, a trust is relatively inexpensive (currently \$1,200 to \$1,650 if prepared in our law office). Besides doubling your federal inheritance tax exemption, a "revocable trust" will help your heirs avoid the time and cost of a probate action.

If you presently have an estate which exceeds one million dollars, and do not have a "revocable trust", I highly recommend that you consider this option first. However, depending upon the size of your estate, having a "revocable trust" may not completely resolve your inheritance tax issues.

## 2. BEGIN GIFTING ASSETS NOW TO AVOID FEDERAL INHERITANCE TAX

This option involves transferring some portion of your assets to your beneficiaries now, rather than waiting until after your death. The more value you

can transfer while living, the less you will have to pay federal estate tax on after your death.

There are essentially two different methods of gifting your estate now:

a) Gifting in cash amounts which avoid a gift tax liability.

The current gifting limit, to avoid gift tax, is \$13,000 per individual. However, you may desire to pursue a more aggressive gifting program by gifting also to spouses, and/or children, of your intended beneficiaries.

If you choose to gift cash, beyond the \$13,000 limit, you are subject to a "gift tax", and, in addition, you will reduce your federal inheritance tax exemption (dollar for dollar) for any gift transfer over \$13,000.

b) Gifting "value in kind" which avoids a gift tax liability. The gifting limit for "value in kind", to avoid gift tax, is also, \$13,000. Using this method, you gift property other than cash. Examples would include: cars, furniture, heirlooms, art work, real estate, securities, guns, jewelry. Really, about any type of property could be transferred in this manner.

One popular approach to this type of gifting, is to set up an LLC or Family Limited Partnership, to gift land. As long as you remain the controlling partner, you will remain in complete control of the entity.

In addition, you can construct this entity in such a way that you continue to receive all the

money off the land. In the process, you can be mentoring your beneficiaries in the lucrative nature of land as an investment.

## 3. PURCHASE INSURANCE TO PAY FOR FEDERAL INHERITANCE TAXES.

Not just any insurance will do, you would need to set up an "irrevocable life insurance trust" so that the insurance payoff, after your death, is not added on to your estate value. These trusts are fairly simple, and reasonably inexpensive (\$1,200 in our law office). You pay monthly, quarterly, or annual premiums, into the insurance trust.

Contact your insurance representative, or financial planner, and ask for a quote.

Think in terms of the amount of money it will take to pay for the federal inheritance taxes following your death (\$500,000 for each million in assets over your exemption).

While there is no absolute certainty that the federal inheritance tax exemption will remain at the one million dollar mark for an extended period of time, the impact of this change will be devastating on many estates in the near future.

If your estate exceeds one million dollars, it behooves you to begin thinking now about the best approach for your situation. Before making any definite decision or plan, I highly recommend that we review together more specifics about each of these options, and how they may affect you. ■

## We Appreciate You

Thank you for choosing our firm for your legal needs. We hope that you will think of us as "your law office".

If you have a legal question, give us a call. If we don't practice in the legal area you need, we can refer you to another experienced attorney who will meet your needs.

# Three Tips to Raise Your Credit Score

If you plan to finance the purchase of a vehicle or house in a few months, you will want to do everything possible to raise your credit score to reduce your loan interest rate.

While your score cannot be changed overnight, these are FICO's three best tips to raise your credit score within a few months:

## (1) Clean Up Your Credit History.

Go to [annualcreditreport.com](http://annualcreditreport.com) and carefully check your credit history for mistakes. For help, go to <http://www.moneytalksnews.com/2010/08/12/3-steps-to-improve-your-credit-history/>. This is a very informative video/article.

## (2) Lower Your Utilization Ratio.

Your "utilization ratio" (how much you owe on a credit card versus your available credit) is one of the key components of "Amounts Owed" (30% of your credit score).

You want to keep your utilization ratio below 30%. For example, if your credit limit is \$1,000 on one card, you do not want to owe more than \$330 on that card. You could lower your "utilization ratio" through one of the following methods:

(a) Pay down your credit cards;  
(b) Shuffle your balances between credit cards. For example, if you have one card maxed out and two cards with small balances, move part of the large balance to each of

the other two cards so that all three cards show less than a 30% utilization ratio;

(c) Raise your credit card limits. For example, if you owe a \$1,000 on a card with a \$1,000 credit limit, raising that credit card limit to \$3,000 will reduce your ratio back down to 30%. It never hurts to ask.

## (3) Dust Off an Old Credit Card.

If you have an old card account that has not been used for years, the card company may no longer be reporting the account to the credit bureaus. Using the old card will increase the amount of available credit you show, and, more importantly, the length of your

credit history makes up 15% of your credit score. So bringing an old account back to life could help.

Keep in mind that the simplest and best way to improve your credit score, although the slowest, is to pay your bills on time and allow nicks in your score – like late payments – to gradually fade away. Payment History, is the biggest component (35%) of your credit score. Source: Stacy Johnson at <http://www.moneytalksnews.com> and <http://www.myfico.com/CreditEducation/WhatsInYourScore.aspx>



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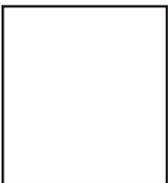
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