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Guiding Legacies

Attorney helps his clients make lasting impressions

By Sheila Pursglove
Legal News

A noted authority on estate planning and the benefits of charitable giving, attorney Bob Kass was recently saluted for his volunteerism by the LEAVE A LEGACY organization.

Photo by Robert Chase

Detroit estate planning attorney Bob Kass encourages clients to "Make A Difference in the Lives That Follow."

It's a path he's followed for more than 25 years, helping clients with estate planning, wealth preservation, and charitable giving through their estate plans. In addition to the traditional drafting of wills and trusts, Kass – an attorney with Barris, Sott, Denn & Driker in Detroit – specializes in wealth preservation techniques, succession planning, probate and trust administration, post-mortem planning, estate tax return preparation, gift and estate tax audits and appeals, and estate related claims and litigation.

But Kass knows a client need not be a Rockefeller or Trump; gifts both large and small can have an impact in the community.

He has seen gifts from people of all backgrounds and income levels.

A prime example was a client, Alice Eis, who died at the age of 97, and who was a case study in charitable giving, and particularly in how a modest estate can benefit so many.

Eis chose to leave half her estate to the Michigan Humane Society, and asked Kass to decide which charities would get the remainder.

"I told her that it should be her decision, but we could discuss some general ideas of causes she might favor, and I would make final decisions after she passed away based on those guidelines," he says. "After her death we would put that second half into a charitable fund, and as advisor to the fund I would instruct that distributions be made to charities from that fund until the money was gone.

"When I first raised this idea, she said that she thought you had to be a millionaire to have a charitable fund. She was pleased to know that it could be done very simply, without any cost at all, even with a modest estate – and her legacy could continue for years."

This fund has benefitted a school where a matching gift program was created, more than doubling the original gift. Monies also helped the Detroit Institute of Arts and the Friends of the Detroit Public Library – Eis, who lived near Wayne State University, was a frequent visitor to both.

Other recipients include a program to help women get back into the work force after divorce or widowhood; a program giving Russian senior citizens a day at a lake away from summer heat; renovation of a vintage grand piano for a school; a gift to the Karmanos Cancer Center for treatment chairs for patients undergoing clinical trials; and a host of other projects. (*...continued over)*

You Can "Make a Difference"

"Make a Difference in the Lives That Follow" is the tag line for LEAVE A LEGACY®, a national public awareness campaign designed to inspire people from all walks of life and all income levels to think beyond their own lifespan when doing good works. There are regional groups throughout the United States, including LEAVE A LEGACY, Southeast Michigan, providing referral services and speakers on charitable giving for civic groups and radio and television interviews, as well as educational programs throughout the year for legal and financial professionals, nonprofit development officers, and board members of charitable organizations. For further information visit www.leavealegacysoutheastmichigan.org. For general information on charitable giving, for professionals, visit the Planned Giving Design Center, www.pgdc.net. and subscribe to free bulletins on charitable giving.

Another elderly client who gave to charities each year was concerned about what they would do after her death. Kass recommended she set up a charitable fund that would specify the charities to receive distributions each year and in what percentages.

"She was delighted she was able to endow her gifts, which would continue long after her passing," Kass says. "Her legacy continues to this day, more than a decade later."

Another client had good news – stock of a closely held business bought for 8 cents a share had soared to $12 a share after the company went public. And bad news – the stock represented virtually his entire portfolio, and a sale would generate capital gains. The client was also afraid he was not diversified and could lose his entire fortune.

Kass recommended a charitable trust, and his client received an income tax deduction for a portion of the contribution that ultimately would pass to charity. The trust sold the stock without capital gains, because it was tax exempt, then invested the proceeds in a broadly diversified portfolio of mutual funds, paying the client and his wife 10 percent of the fund's value each year. That would continue until their death, when the balance would be paid to the client's favorite charities.

The plan was implemented before the stock market's dramatic rise a few years ago, and the client received substantial distributions from the trust.

"What was most incredible is that the company in which my client had originally invested went bankrupt," Kass says. "If he hadn't disposed of the stock he would truly have ended up with nothing."

Kass was recently named "Volunteer of the Year" by LEAVE A LEGACY(R) of Southeast Michigan, a nine county campaign designed to inspire people to remember a favorite cause or charity in their estate planning.

He is immediate past Co-Chair of the organization's Steering Committee, with Jo Ellen Rahaim of Evangelical Homes of Michigan and Victoria Cornwell of St. Jude Children's Research Hospital, and past Chair of their Speaker's Bureau, helping to spread the word about gift giving. Brought on to energize the Speaker's Bureau, he introduced the idea of speakers appearing on public access cable TV throughout the nine county area.

"It's a good way to leverage speakers' time, and reach thousands of viewers," he says.

Kass believes attorneys who do estate planning have an obligation to ask clients if they want to leave something to charity – not pressing the point, but providing guidance.

"Many clients want to be charitable – they just don't know how to do it," he says. "My goal is to find situations in their lives which can be matched with charitable techniques or charitable objectives.

"It's a real service to help clients better their own situations, and help charities at the same time. Many times there's no tax motive at all, just a desire to help a charity that has touched their lives or the lives of people they know."

Estate Planning Expert Shares Knowledge Wisely

A graduate of Wayne State University (cum laude) and the University of Michigan Law School (cum laude), Bob Kass was an associate with a U.S. law firm in Brussels, Belgium before earning a Master's Degree in Taxation at New York University. He joined Barris, Sott, Denn & Driker in 1979, where he serves as chairman of the Tax, Estate Planning & Probate Group, and is a member of the firm's Executive Committee.

Kass fequently speaks about estate planning, charitable giving and taxation, for the Institute of Continuing Legal Education (ICLE) – where he is a member of the faculty for postgraduate seminars in estate planning for the Certificate Program in Estate Planning and Administration.

He also has been a speaker to the Michigan Association of CPAs, civic and religious groups, and major national, international and local charities.

He has appeared on CNN/CNN Financial, on local cable television and in radio interviews; and has been quoted in The Detroit News, Crain's Detroit Business, and other local newspapers.

He co-authored "What Do We Do Now? A Practical Guide to Estate Administration for Widows, Widowers and Heirs," and has written numerous articles and course outlines. His publications have been referred to in Bottom Line Personal; Probate & Property, a publication of the Section of Real Property, Probate and Trust Law of the American Bar Association; and the Journal of the Michigan Funeral Directors Association.

A Fellow of the American College of Trust and Estate Counsel (ACTEC), he currently co-chairs the Metropolitan Detroit Bar Association Taxation Committee, and is a member of the Taxation Sections of the American Bar Association and the State Bar of Michigan, and the Real Property and Probate Section of the State Bar of Michigan.

He is a member of the Board of Directors of the Planned Giving Round Table of Southeast Michigan; member and past Chairman of the Professional Advisory Committee of the Jewish Federation of Metropolitan Detroit; and a member of the Professional Advisory Groups of the Community Foundation for Southeast Michigan, the Detroit Institute of Arts, and the Barbara Ann Karmanos Cancer Foundation. He is a past member of the Board of Directors of Goodwill Industries of Southeastern Michigan Foundation, and the French-American Chamber of Commerce.