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FACT SHEET

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IMPORTANT LEGAL MATTERS IN RETIREMENT

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“Put your house in order” is often good advice to preretirees who are meticulous in employment but careless in their own affairs. When retirement comes, many legal questions arise.

- Do you need a lawyer? How do you choose one?
- How can retirees save money on taxes?
- What is estate planning? What are trusts?
- Do you have a will? Do you need to make one? What happens to property and possessions if there is no will?
- What legal information will be of value to you if you plan a late marriage?
- What about joint ownership?
- How do you use a Small Claims Court?
- What are the legal aspects concerning care of an ill or incompetent relative?
- What is of legal importance when changing a hobby to a business?
- How can you guard against frauds and quacks?
- What about social security, other annuity and pension payments in retirement?
- What do you need to know about making contracts?
- What about important papers? Other valuables?
- What other legal questions do you have for retirement?

CHOOSE A LAWYER

Almost everyone needs a lawyer at some time. To choose one carefully, ask for recommendations from your family, friends, banker, the local bar association, fraternal or alumni associations. Try to

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learn something of his reputation, experience and the *fees he charges*. When a lawyer is needed and cannot be afforded, one may be obtained through the Legal Aid Society (if available), law students, public welfare (if eligible) and other agencies that provide legal help.

SAVE MONEY ON TAXES

There are certain income tax savings for persons 65 years of age and over. Inquire about gift and inheritance tax savings. What other taxes can be saved? For example, tax savings may be allowable on certain types of home business.

ESTATE PLANNING AND TRUSTS

Your estate is your property and possessions. Planning for the disposition of such may be made by deed or in your will. A trust also may be created in both manners. Trusts establish legal use of property held by one person for the benefit of another.

WILLS

Why make a will? Will the state law provide disposition of your property if no will is made? How do you make a will? Should you make your own? What will the cost be? Who will be your executor? How do you change a will? What is a codicil? Where should you keep a will? The best place is a safety deposit box, with a copy left with the lawyer that wrote it; or it may be sealed and filed in the office of the county clerk.

SECOND MARRIAGES

There may be a need for information about estates, changes in a will and joint ownership before a second or later marriage, especially when there are children of both spouses involved.

JOINT OWNERSHIP

Texas and a few other states have a *Community Property Law*. Community property is usually that which a married couple acquire as a result of

their joint labors even though the housewife and mother may earn no money. Other joint ownerships may be tenants in common and joint tenants.

SMALL CLAIMS COURT

In this state a person may argue his own case in a Small Claims Court. Court fees are usually nominal. It is well to know what facilities are available to aid in collecting a small claim if necessary.

CARE OF ILL OR INCOMPETENT RELATIVE

Legal means are available to aid a person unable to care for himself. The county judge, your doctor, lawyer, minister or one of the responsible social agencies can direct you to the proper source for help.

SMALL OR HOME BUSINESS

Many retirees develop hobbies into a small home business. There are questions about legalities to be answered about a "home-made" business. If in your home, do zoning laws permit the location? What about sales tax collections and payments?

FRAUDS AND QUACKS

Senior citizens throw away over \$2 billion a year on frauds and quacks in this country. Beware of food fads, drug companies specializing on senior citizens, health swindles, quack doctors who can cure anything (cancer, arthritis, hearing problems, "pepping you up," etc.), unreliable burial insurance, phony nutritionists, "bait" advertising, lucky winners racket, dance and photography studio rackets, home repair frauds, work-at-home swindlers, "marriage brokers" and all the other schemes

used to swindle retirees. The Better Business Bureau can help supply you with reliable information about frauds and quacks. Be knowledgeable about possible frauds and quacks.

APPLYING FOR ANNUITIES AND PENSIONS

Do you know how to apply for social security payments? Other annuities or pension? They do not come without following a certain outlined procedure. Contact the agency, firm or group handling these retirement checks if you do not know how to proceed.

MAKING CONTRACTS

Contracts are spoken, written or implied. Read the fine print and understand well before agreeing to or signing any contract. If you are not sure, consult someone who can help you, such as your lawyer. If your contract involves a large sum of money or a great undertaking, obtain it in writing.

CHECK UP BEFORE YOU CHECK OUT

A small record book listing information concerning valuables should be filed with your lawyer or a family member. Your valuables may be all over the house and downtown, too, but someone needs to know where they are! There may be birth and retirement certificates; marriage, divorce, remarriage, armed forces discharge and citizenship papers; bank statements, insurance policies, bonds, securities, deeds, tax returns, inventories, records of important addresses, car titles, social security number, statement of assets and debts, keys to lock boxes and your will.

We have looked at the most common legal questions asked by retirees. The important thing is finding the answers to those *you* need!

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