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# What's trending on NP Trusts & Estates

**Three documents to prepare your child for college**, planning for uncertain times, intentionally including assets in your gross estate, income tax implications of cryptocurrency transactions and more. Here's what's trending in estate planning and wealth management.

## Estate Planning

### *Three documents to prepare your child for college*

Graduating from high school and preparing for college is an exhilarating time in a young adult's life. However, with all the preparation and excitement surrounding the process, most young adults and their families overlook one of the most important things they should do before heading off to college: incapacity planning.

Few parents consider the need to create an estate plan for their eighteen-year-old child, usually because the child does not have significant assets or a family to plan for. Nevertheless, in the eyes of the law, every eighteen-year-old is an adult, making it essential to have certain medical and financial documentation in place. Without such documents, privacy laws thwart parents' ability to access their child's medical and financial records, as well as make legal decisions on their behalf—something that may be necessary in the event of an emergency or unanticipated event occurring.

Therefore, to ensure both families and students are as prepared as possible for college life, it is necessary to set up an incapacity plan that includes, at a minimum, the following three documents:

**1. Health Care Proxy.** A Health Care Proxy authorizes another individual (called your "medical agent") to make decisions with respect to your medical care in the event that you are physically or mentally unable to do so. A student may choose to name his or her parent as agent to ensure they can receive vital health care information and make health care decisions for the student in the event the student is unable to do so. It is important to keep in mind that the Health Care Proxy only becomes effective when the student cannot make health care decisions for himself or herself.

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**2. Durable Power of Attorney.** A Durable Power of Attorney is an essential part of any incapacity plan and estate plan. Specifically, it authorizes your agent (sometimes called "attorney-in-fact") to act on your behalf in a wide variety of financial transactions, such as withdrawing money from a bank account, handling insurance claims and paying bills or filing tax returns. The Durable Power of Attorney becomes effective as soon as it is signed and survives your incapacity; however, you may revoke it at any time while you are living and competent.

**3. Authorization to Disclose Protected Health Information (HIPAA Release).** The Health Insurance Portability and Accountability Act (HIPAA) sets out rules and limits on who can look at and receive an individual's medical information. Once you turn eighteen-years-old, your parents no longer have the right to access the individually identifiable health information relating to your medical treatment. The HIPAA Release authorizes your health care providers to share and disclose this information, otherwise protected by HIPAA, to certain named individuals. Thus, in the unfortunate event a student endures a medical emergency, this document would give his or her parents, or other named persons, the authority to receive vital information from health care providers regarding the student's medical status.

Ultimately, these three simple documents can be vital in ensuring families and college students are prepared for both the expected and unexpected experiences that await them as they embark on the next chapter of their life: college. Notwithstanding this, basic incapacity planning is something that all individuals should have in place to ensure they are well prepared for anything life has in store.

*— Kaitlyn B. Barnett*

## *Cost basis considerations in estate planning*

With the federal estate and gift tax exemption levels so high, there is an increasing need to consider income tax planning in conjunction with your estate plan. Here's an overview of the trade-off between estate tax and income tax minimization along with a sampling of a few simple strategies that may maximize tax savings.

### What is cost basis?

In its simplest definition, cost basis is the price at which an individual acquires an asset, usually the purchase price. It is used to determine the income tax due upon the subsequent sale or other taxable disposition of an asset. The capital gains tax rate is applied to an amount equal to the difference between the asset's fair market value at the time of the sale and its cost basis.

For example, assume a taxpayer ("Investor") purchases an asset for $100,000. If Investor subsequently sells the asset for $500,000, then the $400,000 of appreciation is subject to income tax. If Investor is in the highest bracket (with a rate of 20%), Investor would owe $80,000 in capital gains.

**What do income taxes have to do with estate planning?**

There is a trade-off between federal income taxes and federal estate taxes. Under the income tax basis rules, property that is held until death generally qualifies for a "step-up" in basis to the fair market value at the time of the decedent's death (or six months after death if the alternative valuation date is elected on a federal estate tax return). If held until death, the unrealized appreciation that accrued during the decedent's life will never be subject to income tax.

For example, assume Investor purchases an asset for $100,000 and holds the asset until his death. Investor dies when the asset is worth $500,000 and leaves this asset to Heir under his will. At that time, the asset's basis "steps-up" to $500,000. If Heir later sells the asset (and assuming no post-death appreciation), Heir would not incur any capital gains tax on the sale.

**Income tax considerations in estate planning**

Depending on an individual's different tax and non-tax strategies, asset values and holdings, the following "downstream" and "upstream" income tax planning strategies may be effectively implemented in certain estate plans.

**Downstream planning.** If the value of an individual's taxable estate exceeds his or her remaining federal estate tax exemption in the year of death, the assets in excess of the exemption would be subject to a 40% federal estate tax. Lifetime gifts can be an effective means of reducing estate tax exposure, but at the income tax cost of losing the step-up in basis. Crunching the numbers is often necessary to determine whether lifetime gifting or death time transfers will provide the most tax savings.

**Upstream planning.** The recently increased federal estate exemption levels also provide a unique opportunity for an individual with assets below the federal estate tax exemption level to shift assets into his or her taxable estate to gain a step-up in basis, without any federal estate tax exposure. To do so, trust assets can be distributed to a beneficiary to cause inclusion of those distributed assets in the individual's estate. An even better solution is to trigger estate tax inclusion without removing the assets from the trust, which may have creditor protections. This can be done by granting a general testamentary power of appointment, among other more complex strategies.

— *Megan C. Neal*

*Intentionally including assets in your gross estate*

As a result of the Tax Cuts and Jobs Act ("TCJA") being signed into law in December 2017, the federal exemption from estate tax has temporarily increased to $11.18 million for decedent's dying in 2018 (double that amount for a married couple).

That amount is scheduled to increase with inflation and may be north of $12 million per person for individuals dying through 2025. These increased exemption amounts are historic. For context, the federal exemption amount in 2002 was just $1 million and in 2001 was just $675,000.

**Income tax planning paramount for most taxpayers**

Given the historic federal exemption amount over the next eight years, and the anticipated reversion to an exemption north of $6 million for decedent's dying after that, the federal estate tax will affect less and less individuals. This makes income tax planning paramount.

**Basis planning for personal assets**

Fortunately for taxpayers, the TCJA carries over the existing federal income tax basis laws. Your tax basis in property is important as it dictates how much gain you must recognize if you sell or exchange the asset and that result changes whether or not you give property away during your life or at your death. In summary, if you give property away during your lifetime, the beneficiary will take a carryover basis in the asset. If, instead, you die owing the asset, your beneficiaries obtain a basis step-up to date of death fair market value on those assets.

As a simple example, suppose parent acquires a capital asset for $250,000. Before parent's death in 2018, the asset has increased in value to $500,000. If parent dies and distributes the asset to her child under her will, the child will take an income tax basis in the asset of $500,000 and can avoid paying capital gains on the $250,000 difference when he subsequently sells the asset. If, instead, parent makes a deathbed gift to her child, the child's basis in the property remains $250,000 and the capital gain cannot be avoided. This is particularly inefficient from an income tax perspective if parent's federal gross estate is less than $11.18 million because she could have died owning the asset and left it to her child while wiping out a potential $250,000 capital gain.

**Basis planning for assets held in trust**

It is also important to consider the potential to get a basis step-up over property left in trust for a beneficiary's benefit. When exemption rates were significantly lower, a routine estate planning technique was to create a credit shelter trust for the benefit of a surviving spouse and/or descendants, the purpose of which was to preserve the first spouse to die's federal exemption from estate tax. The credit shelter trust was designed to avoid having the beneficiaries pay estate tax at their death; however, in many cases, there may be an overall tax benefit by causing some or all of the trust assets to be included in the estate of a deceased beneficiary.

Many of these trusts may contain low basis assets, particularly if the surviving spouse outlives his or her spouse by many years. In this case, it may be beneficial for the trust to hold the low basis asset until the death of the surviving spouse and then have the trustee intentionally cause some or all of the assets to be included in his or her gross estate, but not exceeding his or her remaining exemption. Existing credit shelter trusts may be modified to cause this result.

Income tax planning is paramount today given the historically high federal exemption from federal estate tax. Be sure to discuss these issues with your estate planning attorneys to make sure that the overall tax burden (rather than just the estate tax burden) is minimized.

— *Kenneth F. Hunt*

### *Planning for uncertain times using disclaimer trusts*

Fewer and fewer individuals and couples will be subject to federal estate and gift tax, particularly for individuals who die in the next eight years. An individual dying in 2018 can leave up to $11.18 million to his or heirs without paying federal estate or gift tax. This amount is indexed for inflation but sunsets in 2026 to $5,000,000 as indexed for inflation. This warrants a close review of existing estate plans and careful planning for new estate plans to ensure maximum flexibility going forward. The potential use of disclaimer trusts can be extremely useful in making estate plans tax efficient and in planning for unexpected changes in the tax laws in future years. This technique is especially well suited for couples of moderate wealth in long-term marriages with only children of that marriage where a spouse is comfortable giving complete control of all assets to the surviving spouse.

Many traditional estate plans include the creation of one or more trusts at the death of the first spouse to die. A trust (known as a "credit shelter trust") was frequently created to use the first spouse's remaining exemption from federal estate tax. This was an extremely widely used technique when exemptions were much lower—between 1990 and 2001 the federal estate tax exemption was between $600,000 and $675,000, increasing to $1 million in 2002, $1.5 million in 2004 and $2 million in 2006.

Any assets valued in excess of the amount that could fund the credit shelter trust would typically pass outright to the surviving spouse or to a trust for the surviving spouse that qualified for the unlimited marital deduction. The objective in either case was to defer any estate taxes until the death of the survivor.

This structure was commonly “forced,” meaning the credit shelter would be, in all instances, fully funded with the first spouse’s remaining exemption. Now, with exemption rates so high, it less frequently makes sense to fully fund a credit shelter trust.

The use of a disclaimer trust structure wards off the risk of unnecessarily (over)funding a credit shelter trust. Instead, the will or trust document provides for an outright disposition to the surviving spouse of all of the property of the first spouse to die. However, if the surviving spouse decides to “disclaim” all or a portion of that outright bequest, it would be used to fund one or more “disclaimer trusts” for the benefit of the surviving spouse.

**Why might a surviving spouse decide to make a disclaimer?**

For one, it may make sense to set aside some portion of the outright bequest for tax reasons. Essentially, it gives the surviving spouse a second bite at the apple to determine likely estate tax burdens at his or her subsequent death and decide whether to and to what extent to fund a disclaimer trust. The disclaimer trust functions essentially as a credit shelter trust, with assets not being included in the surviving spouse’s estate at his or her death.

Second, the disclaimer trust can be structured in a manner to prevent creditors of the surviving spouse from making claims against the disclaimer trust. If property was held outright by the surviving spouse, creditors could make such claims. Assets in the disclaimer trust, however, would generally not be subject to claims brought against the surviving spouse. Meanwhile, the disclaimer trust can give the surviving spouse a large degree of control in determining how the assets of the trust are ultimately invested and/or used for his or her benefit.

A disclaimer trust plan requires proper drafting at the front end, but also informed decision making by the surviving spouse after the first spouse die. There are potential disastrous tax ramifications if, for example, the surviving spouse does not make a timely decision to disclaim within nine months of the first spouse to die. Thus, it is imperative to discuss these matters with your estate planning attorneys now to be sure this technique is suitable for your family situation and also immediately after the first spouse dies.

*— Kenneth F. Hunt*

## Income Taxes

### *Income tax implications of cryptocurrency transactions*

Cryptocurrencies, such as Bitcoin, continue to make headlines. Whether held for investment or use as currency in everyday-type transactions, their prevalence in the U.S.

has rapidly increased. What's often not considered, however, are the associated tax implications. With the 2017 tax filing season upon us, you should be aware that the IRS has several new initiatives in process to assure that these transactions are reported.

Here's what you should know about the IRS initiatives and the U.S. income tax implications and reporting requirements of transactions in cryptocurrencies, coins, tokens and other virtual assets.

**Is the IRS trying to track these transactions?**

The IRS searched the roughly 126 million electronically filed tax returns that were filed for 2013-2015, and found that only approximately 800 individuals reported transactions related to Bitcoin, the most popular of the cryptocurrencies, on their tax returns. Those figures mean it's extremely likely that taxpayers aren't reporting their cryptocurrency transactions and the IRS has taken steps to remedy the issue.

- IRS has reportedly hired a cryptocurrency software company to trace and provide reports on cryptocurrency transactions.

- In November 2017, the IRS secured an order from a federal district court directing the enforcement of a summons against Coinbase, one of the major cryptocurrency exchanges. This order has provided the IRS with the identities and transaction histories of 14,000 Coinbase customers, each of whom had over $20,000 of cryptocurrency trades between 2013 and 2015.

- By investigating how these Coinbase customers obtained their crypto, the IRS will easily be able to identify and assess penalties against:
    + Employers that issued it as compensation but failed to properly report it on Form W-2 and remit the necessary tax withholdings
    + Individuals or entities that issued it to independent contractors but failed to properly report it on Form 1099-MISC
    + Cryptocurrency exchanges that failed to properly report transactions on Form 1099-B

- The IRS has just completed a very successful effort to uncover and prosecute individuals with unreported income from foreign bank accounts. The same investigation and enforcement techniques could easily be used to identify unreported cryptocurrency transactions.

- A partial amnesty program provided incentives for voluntary disclosure of previous omissions. Since 2009, over 56,000 taxpayers participated in that program, and paid $11.1 billion in back taxes, penalties and interest on the unreported income.

- Each year the Justice Department discovers, convicts and incarcerates over 2,000 individuals for tax evasion. The statistics show increasing numbers of these are related to undisclosed offshore bank accounts.

**What cryptocurrency transactions are taxable?**

According to IRS Notice 2014-21, for income tax purposes, the IRS treats cryptocurrencies as property, not currency. This is an important distinction because it means ***any time a cryptocurrency is sold or exchanged it is a taxable transaction for U.S. tax purposes.***

It's important for taxpayers to understand that the cryptocurrency transactions described in this alert are taxable even if the taxpayer doesn't receive 1099 forms or year-end statements.

Here's a list of the most common taxable cryptocurrency transactions, all of which are taxable:

- When it is sold or exchanged, whether for fiat currency (such as dollars) or another virtual currency
- When it is spent, such as to purchase goods or services
- When it is received as compensation for services
- When it is mined or received during a hard fork
- When a token is sold in an initial coin offering, or ICO

**How are the transactions taxed?**

***Selling or exchanging cryptocurrencies***

Gains and losses on the sale and exchange of cryptocurrencies are calculated just as those for the sale of stock. The formula to calculate them is the fair market value (FMV) of the proceeds, property, or services received less the basis in the cryptocurrency asset sold.

Generally, a taxpayers' basis in cryptocurrency will be the amount they originally paid for it, the amount reported as income when it was received as compensation, or zero when it is given away for free, or airdropped. Note, all gains or losses on the sale of cryptocurrencies must be reported in U.S. dollars.

Whether or not a cryptocurrency is deemed a capital asset depends on the taxpayer's purpose for holding it. Generally, if it's held for investment or personal use (e.g., everyday transactions), it is considered a capital asset and therefore is eligible for the lower capital gains taxes rates. If held for one year or less, any gain would be taxed at the same rate as ordinary income. However, if held for greater than one year, the gain is taxed at the preferential capital gains rates—0%, 15% or 20% depending on the taxpayer's tax bracket. The gains or losses should be reported on Form 8949 as part of Schedule D on a taxpayer's personal income tax return.

These gains may also be subject to the additional 3.8% net investment income tax, if the taxpayer's income exceeds a certain threshold. If a cryptocurrency was held as inventory and used in the normal course of business (e.g., by a cryptocurrency dealer), it is a noncapital asset and taxed as ordinary income.

If a cryptocurrency is exchanged for another type of cryptocurrency, due to the passing of the Tax Cuts and Jobs Act in December of 2017, tax can no longer be avoided by way of the like-kind exchange rules. The like-kind exchange rules were repealed for exchanges of property other than real property occurring after December 31, 2017.

***Using cryptocurrency like currency to purchase other goods or services***

Because all sales or exchanges of cryptocurrencies are taxable transactions, taxpayers that use them in place of cash to make purchases must report the gain or loss from each one of these transactions, which may come as an unpleasant surprise. Further, due to the extreme volatility that some cryptocurrencies experienced in 2017, such as Bitcoin, the gains generated on these transactions may be significant. This may leave some taxpayers with an additional income tax bill they weren't expecting.

***Receiving cryptocurrencies as compensation***

When cryptocurrency is received as compensation for services performed, the FMV on the date of receipt is taxable as ordinary income, just as compensation paid in cash would be. If an employer pays an employee in cryptocurrency, it's generally treated as "wages" and subject to federal income tax withholding, FICA and unemployment taxes, and reported on a W-2. Cryptocurrency paid to an independent contractor has the same Form 1099 reporting requirements as compensation paid in cash.

Complying with the withholding and reporting requirements is particularly challenging where the virtual currency does not have a readily determinable FMV (e.g., compensation paid in the form of a token for working on a platform on which the token will be used).

***Receiving cryptocurrencies as a result of mining***

Taxpayers may also receive cryptocurrency by way of "mining." Mining, in greatly simplified terms, is when a person uses specific computer hardware and software to validate complex mathematical transactions that make up the blockchain, or public ledger. The "miner" receives compensation in the form of small fractions of a cryptocurrency at a time for their validation efforts. For tax purposes, the mined cryptocurrency assets are taxable as ordinary income at their FMV upon receipt. Further, if the mining is part of a taxpayer's trade or business and not merely a hobby, self-employment taxes up to 15.3% may be applicable to the net income.

***Receiving cryptocurrency through "hard forks"***

A "hard fork" occurs when a single cryptocurrency splits into two different cryptocurrencies or bifurcates onto multiple blockchains. As an example, a hard fork occurred when bitcoin split into bitcoin and bitcoin gold. Since the IRS has not provided any guidance on hard-fork transactions, taxpayers are expected to apply the normal tax rules for the receipt of additional property.

Under normal constructive receipt principles, such property is taxable at its FMV on the date it becomes freely available to the recipient, regardless of whether the recipient takes the action necessary to assume control. This rule applies even though it may be difficult to determine the property's FMV.

**What type of record keeping is necessary?**

In order to calculate gains and losses taxpayers will need the following:

- Date the cryptocurrency asset was acquired and its purchase price
- Date the cryptocurrency asset was sold or exchanged and the proceeds received

If an exchange, like Coinbase, is used to buy or sell cryptocurrency, users can download all of their transaction data from the exchange to a .csv file and import it into an Excel file for easier use. There is also software, such as CoinTracking.Info and Bitcoin.Tax, into which the .csv file can be uploaded that helps put everything in order for tax purposes and is free depending on the number of transactions. However, if this software is used, taxpayers should check with a tax professional to ensure the method used to calculate gains and losses complies with IRS rules.

If a taxpayer doesn't use an exchange for their cryptocurrency transactions, however, all tracking responsibility falls on their shoulders. In such cases, it may be easiest for taxpayers to keep track of their basis by using separate online wallets for each cryptocurrency purchase, and to document when each wallet was established, so the value of the cryptocurrency on the date of its acquisition can be determined.

**Are there any disclosure requirements?**

U.S. taxpayers are required to file a Report of Foreign Bank and Financial Accounts (FBAR) to disclose any foreign bank accounts in which they have an interest, or over which they have signature authority, and which has an aggregate value over $10,000 at any time during the year. How these rules apply to holders of cryptocurrency are unclear at best. Based on the Financial Crimes Enforcement Network's guidance provided in FIN-2013-G001, although not entirely clear, it appears taxpayers who have accounts in foreign cryptocurrency exchanges may be required to disclose them on an FBAR. It can be difficult to accurately report the maximum balance of your account during the year on an FBAR, as you are required to do, because of the volatility of the value of cryptocurrencies and the lack of tracking and statements.

It is important to note that a taxpayer who "willfully" avoids filing can be subject to a steep civil penalty of $100,000 or 50% of the balance in the foreign account—whichever is greater. There may also be criminal penalties similar to those levied against persons that did not declare offshore bank accounts.

As investment in and the use of cryptocurrencies continues to become more prevalent, the

IRS is likely to release further guidance for taxpayers and continue working to find a solution to enforce the tax rules.
*— Jordan Tepfer and Kenneth H. Silverberg*

### ***Does your federal withholding need a check-up?***

The Tax Cuts and Jobs Act has changed the way the federal income tax is calculated. The federal income tax withholding from your paycheck may need to be adjusted, perhaps downward so you end up with more in your bank account throughout the year.

To determine the amount that should be withheld as a result of the Tax Act, you should gather your most recent pay statement and copies of your 2016 and 2017 federal income tax return and go to the new withholding calculator issued by the IRS.

The IRS withholding calculator will estimate your income tax for 2018 as well as provide you with the number of allowances that may be appropriate to enter on your Form W-4. The calculator may also help determine the need for any additional withholding each pay period.

If you find that you need to adjust your withholding for 2018, you can download, complete and submit a new Form W-4 to your employer.

*— Daniel N. Jones*

## Wealth Management

### ***Market Pulse: April Economic Highlights***

**What's happening: Highlights from the NP Investment Team**

As oil prices continue their recent move higher, what are some of the potential consequences to inflation estimates, consumer income, interest rates, overall economic activity and stock prices?

After increasing roughly 10% in all of 2017, crude oil prices have rallied more than 12% in the first four months of 2018 due to continued global economic growth, restrained supply from OPEC and rising geopolitical tension in the Middle East. While a positive development for energy-related companies and stocks (see table below), investors are beginning to incorporate a few of the downside effects.

First, higher energy prices contribute to higher estimates for inflation. While inflation has not been a major concern over recent years, the increase in oil prices bears watching in this regard. Second, increased energy costs act as a "tax" on consumers, driving down real, after-tax disposable income. This in turn has an effect on consumer spending, the largest component of the U.S. economy. Third, as inflation expectations rise due to higher energy costs, interest rates adjust upward to compensate investors for the loss of purchasing power. Fourth, higher interest rates increase the cost of borrowing and existing debt servicing costs. Each of these factors has an effect on overall economic growth and, in turn, stock price valuation. As always, these trends bear watching.

**Leaders and Laggards: What's Up and Down in the U.S. Stock Market?**

| ECONOMIC SECTORS | APRIL 2018 THROUGH 4/26/2018 | YEAR-TO-DATE 2018 (THROUGH 4/26/18) |
|---|---|---|
| Energy | 10.68% | 3.4% |
| Health Care | 2.28% | 0.6% |
| Consumer Discretionary | 2.14% | 5.0% |
| Materials | 1.66% | -4.4% |
| **S&P 500** | 0.99% | -0.2% |
| Industrials | -1.40% | -3.4% |
| Consumer Staples | -4.51% | -11.9% |

Equity market volatility from February and March rolled into April as markets continued to digest potential implications from trade/tariffs and the commencement of Q1 earnings announcements. Regarding the former, investor expectations for a prolonged trade war have been tempered as U.S. and Chinese leaders walk back elevated rhetoric. Simultaneously, Q1 S&P 500 earnings growth announcements have exceeded expectations with year-over-year earnings per share growth in excess of 20%, above what was the consensus level of 11% at the end of the quarter. Moderating geopolitical uncertainty coupled with solid corporate profitability have moved the S&P 500 back into positive territory for the month.

On a sector level, leadership has been provided by Energy stocks, which have rallied in combination with oil prices, which have risen 10% since the middle of March. Consumer Staples stocks, relative outperformers in March, have trailed as earnings struggle to grow and investors rotate away from bond proxies as interest rates move higher. Over the last several years Consumer Staples, Utilities and Real Estate Investment Trust stocks have been viewed as bond substitutes given that their dividend yields exceeded many fixed income alternatives. Currently, with interest rates on short-term U.S. Treasuries near or exceeding the dividend yields of these stocks, investors are gravitating toward the risk-free alternative.

Click here for more information about NP's investment capabilities.

*— NP Investment Team*

***Informed delivery allows electronic preview of U.S. mail***

The U.S. Postal Service's notification service, Informed Delivery, provides free digital preview of the mail and information on packages scheduled for delivery.

**How do you receive the digital previews and package information?**

By e-mail, Informed Delivery customers will receive a greyscale image of the exterior, address side of letter-sized mail processed through the postal service's automated equipment.

If a package is scheduled for delivery, the e-mail will also contain details on the package (but no image).

**Informed Delivery is free.**

The U.S. Postal Service does not charge for the creation of an Informed Delivery account, digital previews or package information.

**Can Informed Delivery be set up for all types of addresses?**

Informed Delivery is currently only available for residential addresses. Business addresses are not eligible.

The postal service's website has a gadget to determine if Informed Delivery is available for a residential address in a particular zip code.

**How do you sign up for Informed Delivery?**

An Informed Delivery account can be set up online through a two-step process.

*Creating an account.* To create an account, you will need to select a username, password and two security questions. You will also need to provide your name, address, phone number and e-mail address.

*Verifying your identity.* To protect your privacy, the postal service also requests verification of identity and address through multiple choice questions. Typical questions are:

-Which of the following streets has a current or former association to you?
-What year was the house located at (your address) built?
-Which of the following cities has a current or former association with you?

**How quickly will e-mail notifications begin?**

My e-mail notifications began the day after I signed up for Informed Delivery with the postal service.

**What if I received a digital image but not the actual piece of mail?**

If you received a digital image but not the actual mail, you can logon to your Informed Delivery Dashboard and report the piece of mail missing.

— *Mary-Benham B. Nygren*

For more information, please contact:

- Kaitlyn Barnett at kbarnett@nixonpeabody.com or 617-345-6127
- Kenneth F. Hunt at kfhunt@nixonpeabody.com or 585-263-1230
- Daniel N. Jones at djones@nixonpeabody.com or 585-263-1101
- Megan C. Neal at mneal@nixonpeabody.com or 617-345-1152
- Mary-Benham B. Nygren at mnygren@nixonpeabody.com or 617-345-6165
- Kenneth H. Silverberg a ksilverberg@nixonpeabody.com or 202-585-8322
- Jordan Tepfer at jtepfer@nixonpeabody.com or 585-263-1460

## NP TRUST & ESTATES BLOG

Achieving success in estate planning, wealth management and tax minimization.