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ERIC SMITH IS OUR NEW MANAGING PARTNER

We are pleased to announce that Eric Smith is our new managing partner. Eric joined our Firm in December 1991 after graduating from Louisiana Tech University. Eric has been a partner for over 25 years and has been involved in Firm management for many of those years. We are fortunate to benefit from Eric's continuing leadership.

STEVE HEDGEPEETH IS RETIRING

Effective November 1, Steve will begin his well-earned retirement after serving the Firm's clients for over 46 years. Steve graduated from Louisiana Tech University in 1978, began his career here in June of that year, and became a partner in 1982. We honor Steve and thank him for his service to the Firm and our clients, and we look forward to a continuing relationship in his retirement.

ANNA LITTLE - NEW STAFF MEMBER

We are happy to welcome Anna Little to our Firm. Anna is from Winnfield, Louisiana and is currently completing her graduate degree at Louisiana Tech. Anna interned with us last spring, and we look forward to working with her.

IS YOUR ESTATE PLAN CURRENT?

In our May 2023 newsletter, we mentioned that the estate and gift tax exemption (currently \$13.61 million per person) is scheduled to shrink after 2025 to half of that amount (with an inflation adjustment). Aside from the potential estate tax, however, estate planning involves some very important personal decisions that should be considered and possibly updated from time to time. It is easy to put off such a review. But, life situations can change, and rethinking and resetting the plan often will be low on the list of things to do. A

recent Wall Street Journal article tells the story of a man who died with a retirement account with the named beneficiary being someone he dated and broke up with almost 40 years earlier. Maybe he forgot to change it. His surviving family members were not happy.

Also, even though the idea of estate planning is mostly identified with older adults, we believe it is important for younger adults, especially those with a spouse and minor children, to consider these issues.

(Continued on reverse)

Will and Heirs – Just about every adult should have a written will, and Louisiana residents should have one prepared by a Louisiana attorney. If you do not have a written will, state law is, in effect, your will that decides what happens to your property, which might not be what you would want.

Who will be your heirs? Do heirs get equal shares or something different based on your understanding of an heir's needs and financial situation? What will happen to an outstanding loan that you have made to an heir? Does an heir have a special medical need requiring additional financial resources? Do you want a church or charity to receive a bequest?

Bank and Brokerage Accounts – As we wrote about in our April 2024 newsletter, Louisiana allows accounts at banks, credit unions, and savings and loans to pass to a designated beneficiary outside of probate (i.e., not governed by your will). If you have any such account designations, be sure that they are current.

Louisiana courts are currently split on this issue for brokerage accounts and, for now, such a designation should not be relied on for those accounts. Make sure that your will directs the disposition of any brokerage accounts according to your current wishes.

Other Beneficiary Designations (retirement accounts, life insurance) – As situations change over time (death, divorce, etc.), it is easy to overlook making appropriate changes to beneficiary designations for financial accounts with infrequent activity such as life insurance and

retirement accounts (e.g., IRAs, 401(k), 457(b), etc.). Make sure those beneficiary designations are current.

Letters to Beneficiaries (advice; wishes; passwords) – Leaving to your executor or heirs a letter of instructions or wishes will not be legally binding like your will, but it can be helpful to your heirs who are tasked with understanding and sorting out your intentions for items and issues that are not appropriate or important enough to be included in your will. Make sure that the right person will have access to the usernames and passwords for your important online accounts.

Your Stuff – You might have collections of things that you have held on to over the years (books, dishes, tools, etc.) that you think your heirs will want. As we have read elsewhere (and from some experience), generally, maybe they really don't want all of your stuff (at least not as much as you think). To make it easier on your heirs, you might have that conversation now and consider letting go of the things that are no longer useful to you or wanted by them.

Finally, do you want your financial legacy to adhere to a strict and complex plan for your heirs (which often is more easily written than executed and sustained), or do you prefer to let the next generation or two have their inheritance and the freedom to go forward on their own, sink or swim? Neither approach (nor somewhere in between) is right or wrong. Regardless, we encourage you to prepare a plan and consider how to make it as clear and easy as possible for the ones who will execute your plan. We will be happy to discuss your estate planning with you.

NONCOMPETE AGREEMENTS – UPDATE ON PROPOSED FTC RULE TO BAN

In our July newsletter we mentioned the Federal Trade Commission's proposed rule that would ban contracts between an employer and employee to prohibit the employee from competing with the current employer for a period of time after termination. The new rule was set to

go into effect September 4, 2024. On August 20, however, a federal judge in Texas blocked that rule stating that it was arbitrary and capricious and "The role of an administrative agency is to do as told by Congress, not to do what the agency thinks it should do." The FTC is considering an appeal.