

ALERTS:

“Red Flags” Identity Theft Program Mandate

Effective May 1, 2009, regulations of the Federal Trade Commission, commonly known as the Red Flags Rules, require “creditors” to implement a program to detect and prevent identity theft involving credit accounts. While the Red Flags Rules are focused on financial institutions and businesses that deal with consumers, the definition of “creditor” in the Red Flags Rules is written broadly and may extend to businesses that extend credit to other businesses.

Employment Law Alerts

- The Department of Labor has issued new regulations under the Family and Medical Leave Act. Employers with 50 or more employees should revise their policies to comply with new requirements and take advantage of some new employer-friendly regulations.
- The Americans with Disabilities Act has been amended to make it much easier for employees to establish that they have a “disability.” Employers with 15 or more employees need to be more careful than ever when dealing with employees with medical conditions.
- The Lilly Ledbetter Fair Pay Act amended the Civil Rights Act (Title VII), the Americans with Disabilities Act, the Rehabilitation Act, and the Age Discrimination in Employment Act to make it easier for employees to sue for pay discrimination.
- The federal minimum wage was raised to \$6.55 in July 2008. This new minimum wage is applicable for most employers.
- In 2008, the EEOC issued guidance to its field staff and the public regarding performance and conduct issues under the Americans with Disabilities Act, the application of the Americans with Disabilities Act to veterans with service-connected disabilities, and religious discrimination.

Estate Planning Alerts

- The federal estate tax exemption is \$3.5 million for persons dying in 2009. Under current law, federal estate taxes will be repealed in 2010. National experts are predicting that, due to more urgent, pressing matters such as the economy, Congress will change the law to freeze the estate tax exemption at \$3.5 million. It is anticipated that when the economy stabilizes, Congress will then take another look at the estate tax laws and consider possible changes to the exemption. Be aware that many states have exemptions that differ from the federal exemption; for example, the Minnesota estate tax exemption is \$1 million.
- The annual gifting exclusion increased from \$12,000 in 2008 to **\$13,000 in 2009**. This is the amount that you can gift annually to each recipient without incurring any gift tax. The lifetime gifting exemption of \$1 million remains unchanged. This is the total amount (*not including the annual gifting exclusion*) that you can gift free of any gift taxes during your lifetime.

If you would like assistance in assuring best practices in any of these areas, please contact your attorney at Moss & Barnett.

