



guiding you through life's most crucial legal decisions

SERVING CLIENTS THROUGHOUT MINNESOTA WITH OFFICES
in Rochester, Winona, Lake City and St. Charles



A Decade of Insight: Celebrating 10 Years of the Wagner Oehler Newsletter

A Simple Goal That Still Guides Us

Ten years ago, Wagner Oehler, Ltd. launched its newsletter with a simple goal: help clients stay informed about the legal issues that shape their families, farms, businesses, and futures.

Over the past decade, that mission has remained constant, even as the topics have evolved with changing laws, economic conditions, and client needs. What began as a way to share occasional updates has grown into a trusted resource for individuals and families across southeastern Minnesota who want to better understand the legal decisions that affect their lives.

Each issue reflects the same philosophy that guides the firm's work: practical advice, thoughtful insight, and a commitment to helping people make informed decisions.

Addressing the Issues That Matter

The newsletter has covered a wide range of topics over the years—from estate planning basics and tax law updates to probate guidance, farm succession planning, and legal developments affecting small businesses.

Many articles focus on issues especially important to rural communities. Farm succession planning, in

particular, has been a recurring theme as Minnesota farm families consider how to transition land and operations to the next generation. Other articles highlight changing legal rules and practical steps families can take to protect what they have built.

Staying Connected with the Community

The newsletter has also served as a way for Wagner Oehler to stay connected with the communities it serves throughout Rochester, Winona, St. Charles, Lake City, and the surrounding region. Through these updates, the firm shares insights, highlights emerging legal issues, and provides guidance beyond the walls of the office.

Looking Ahead

As Wagner Oehler celebrates ten years of its newsletter, the goal remains the same: to provide clear, practical guidance that helps clients make confident decisions about their future.

From our First Newsletter April 2016

FARM SHOW A SUCCESS

Thank you to everyone who visited our booth at the 2016 AgriNews Farm Show!

While we always visit the show, this was our first year as an exhibitor. It was a great opportunity to visit with new and future clients and meet other agribusiness professionals in the area.

Look for us at the Farm Show next year!



Jason and Bill at the Farm Show booth.



Lifestyle Changes in Retirement That Can Impact Your Estate Plan

Retirement today looks very different than it did a generation ago. For many people, it is no longer about slowing down, it is about freedom, reinvention, and making intentional choices with your time and resources. But one thing often gets overlooked: lifestyle changes can quietly disrupt your estate plan.

An estate plan is designed to work within a specific legal and financial structure. When that structure changes, your plan should adjust with it. Common retirement decisions, such as moving, downsizing, or spending time in multiple states, can unintentionally create complications if your plan is not reviewed.

Downsizing or Relocating: More Than a Real Estate Decision

Selling a longtime home and purchasing a new one is a common retirement transition. However, each move can affect:

- How property is titled
- Whether assets are exposed to probate
- Homestead protections
- State tax rules
- Creditor protection considerations

The most common mistake occurs when a retiree sells a home but does not transfer the new property into their revocable trust. If your estate plan relies on a trust to avoid probate, but the new home is titled in your individual name, that single oversight may create a probate issue.

Even one incorrectly titled asset can complicate administration for your family.

Planning checkpoint

After any real estate transaction:

- Review the deed
- Confirm the ownership structure
- Ensure the property aligns with your trust and estate plan

Living in Multiple States

Many retirees split their time between two states—perhaps winters in the South and summers closer to family in Minnesota. While this lifestyle offers flexibility, it can introduce legal complexity.

Each state has its own:

- Probate procedures
- Healthcare directive requirements
- Financial power of attorney standards
- Medicaid eligibility rules
- Estate and inheritance tax laws

Documents created years ago in one state may still be valid elsewhere, but they may not function as smoothly as intended. In some cases, families discover too late that institutions hesitate to accept outdated documents or that unclear domicile status creates tax or probate complications.

Planning checkpoint

If you spend significant time in another state:

- Review powers of attorney
- Update healthcare directives
- Clarify legal domicile
- Evaluate potential tax exposure

Estate Planning Is a Living Framework

An estate plan created years ago may still be legally valid but no longer reflect your current assets, residence, or lifestyle. Major life changes should trigger a review, not because something is wrong, but because life has evolved.

Even a brief legal check-in can help prevent avoidable complications later.

Because the goal is not just enjoying retirement, it is protecting the life you have built and preserving clarity for the people who matter most.

Why Minnesota Farms and Business Owners Still Face Estate Tax Risk in 2026

If you own farmland or a business in Minnesota, the estate tax rules in 2026 are a mixed picture. Federal law has changed significantly, but Minnesota law has not, and that can make a real difference.

Federal Estate Tax: Much Higher Exemption

New federal legislation passed in 2025 permanently increased the federal estate tax exemption.

Beginning January 1, 2026:

- **\$15 million exemption per person**
- **\$30 million for married couples**
- **Indexed for inflation**
- **Portability still available**

For most farm families and business owners, this removes federal estate tax as a major concern. Before this change, the exemption was expected to drop to about \$7 million per person, which would have exposed many farms and businesses to federal tax.

However, portability still requires action. If the first spouse dies, a federal estate tax return must be filed to preserve the unused exemption.

Minnesota Estate Tax: The Real Issue

Minnesota's estate tax exemption remains \$3 million per person, and it:

- Is not indexed for inflation
- Does not allow portability
- Is not increasing in 2026



Because portability is not allowed at the state level, unused exemptions are lost if planning is not structured correctly. That is why many Minnesota estate plans use credit shelter trusts to preserve both spouses' exemptions.

The Qualified Small Business and Farm Property Deduction

Minnesota also offers a Qualified Small Business and Farm Property Deduction, which can remove up to \$2 million of farmland value or small business property from the taxable estate if strict requirements are met, including agricultural homestead classification and qualified heirs, among others.

The Bottom Line

Many Minnesota farms and small businesses easily exceed the state's \$3 million exemption once land, equipment, and other assets are counted. While federal tax risk has decreased, Minnesota estate tax exposure remains a real planning issue for farm families and small business owners.

Careful planning is required to take advantage of this additional \$2 million exemption. We can help.



Farm Facts: There are more than 650 organic farms in Minnesota, placing the state in the top 10 nationwide. Whether organic or conventional, every farm has one thing in common, a legacy that deserves a plan.

Testimonial:

They developed a very comprehensive estate plan for me. I have the highest confidence in the competence of these professionals coupled with their extensive real-world experience.

- Tim G. ★★★★★

OFFICE HOURS AND LOCATION

ROCHESTER: 1801 Greenview Dr SW, Ste 102,
Rochester, MN 55902
Monday-Thursday 8:30am-4:30pm
Friday 8:30am-3:30pm

WINONA: 65 Johnson Street, Winona, MN 55987
Monday-Thursday 8:30am-4:30pm
Friday 8:30am-3:30pm

LAKE CITY: 120 W Center Street, Lake City, MN 55041
Monday-Thursday 8:30am-4:30pm
Friday 8:30am-3:30pm

ST. CHARLES: 819 Whitewater Ave, St. Charles, MN
55972
Tuesday 12:30-4:30pm
By Appointment Only

To schedule an appointment at any of our offices,
please call (507) 288-5567.



EVENT SCHEDULE

Debunking Myths of Estate Planning

5 Dates and Locations for you to choose from:

Tuesday, April 14, 2026, from 1:30 to 3:00 PM
The Black Top Bar & Grill, Elgin, Minnesota

Tuesday, April 28, 2026, from 3:00 to 4:30 PM
Dodge Center Community Center, Dodge Center,
Minnesota

Tuesday, May 5, 2026, from 1:30 to 3:00 PM
Chatfield Center for the Arts, Chatfield, Minnesota

Tuesday, June 16, 2026, from 3:00 to 4:30 PM
Rochester Area Foundation, Rochester, Minnesota

Tuesday, June 23, 2026, from 1:30 to 3:00 PM
Winona Chamber of Commerce, Winona, Minnesota

Successor Trustee Primer (For Clients Only)

Tuesday, May 19, 2026, from 1:30 to 3:30 PM
Rochester Area Foundation, Rochester, Minnesota

RSVP at www.wagnerlegalmn.com/events