

Box 3:13

Eltee, Ralph R.

1965-66

Re: Estate of Dwight and Iku Uchida

86/97c

RALPH R. ELTSE
ATTORNEY AT LAW
1440 WALNUT STREET
BERKELEY 9, CALIFORNIA
843-6906

November 12, 1965

Miss Yoshi Uchida
645 63rd Street
Oakland, California

Dear Yoshi:

Relative to the questions involving distribution of property by your father and mother I think the following analysis will be helpful. It is to be noted that the analysis applies to COMMUNITY PROPERTY, unless otherwise noted.

COMMUNITY PROPERTY:

-I-

- 1- Each spouse can dispose of by Will of one-half and that is all. The other spouse has equal power.
- 2- If there is no Will, the surviving spouse takes the whole estate.
 - (a) There is no State Inheritance tax *no will: administration of estate needed - (probate)*
 - (b) There is no Federal Estate tax.
- 3- If the community property is held in JOINT TENANCY and one spouse dies, the survivor takes all.
 - (a) There is no State Inheritance tax . (Same as under 2)
 - (b) There is no Federal Estate tax " " " "
 - (c) If the Will leaves all to the surviving spouse (where there is a Joint Tenancy) it is not necessary to probate it because the survivor takes as the surviving tenant and not as an heir.
However, if it is desired to have the property disposed as provided in the Will, it can be probated, but then State Inheritance taxes would have to be paid on one-half of the estate. Each legatee named in the Will would have to pay an inheritance tax on her share less the exemptions, to wit: \$5,000 for the wife (or husband) and \$5,000 for each daughter. There would be no Federal estate tax unless the one-half of the Community Property exceeded the \$60,000 exemption

-II-

PROCEEDINGS TO CLEAR TAX LIABILITY where property held in Joint Tenancy:

✓ This is a simple matter. A petition, stating the facts, is filed with the Inheritance Tax Appraiser, together with an (a) Inheritance Tax Affidavit and (b) a Community Property Affidavit. The Appraiser then issues a Certificate that no tax is due. Copies of this Certificate and copies of the Death Certificate are then presented to each of the companies in which stock is held and the stock will be reissued to the survivor. If desired, the stock can be reissued to the surviving spouse and to Yoshi and Kay, or to any combination of the three. In this Tax proceeding the attorney can handle the whole matter without requiring any of the family to appear; and the proceedings can be finished in a few days.

-1-

-III-

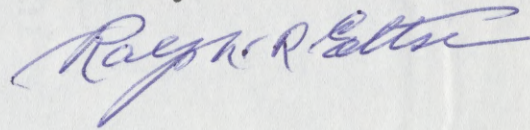
✓ CAPITAL GAINS TAX IS NOT INVOLVED in connection with acquisition of property under either JOINT TENANCY or under WILLS. The Capital Gains tax appertains to Income Taxes and not to Inheritance or estate taxes. It is only on the sale (or exchange) of property that capital gains are involved.

In computing capital gains taxes where stock (or other property) passes upon death, the market or appraised value at the date of death, is taken as the new cost basis in computing the capital gain on a subsequent sale of the stock. The new cost basis may be higher, or lower, than the original cost. If it is higher the capital gain would be less and therefore to the advantage of the taxpayer; whereas, if it is lower the reverse would be true.

There may be other questions which you may wish to discuss or you may wish to have further explanations of the foregoing and we can consider them next Wednesday when you come here. I am sending this on so that you may examine it.

With affectinate regards to you and your father and mother.

Most Sincerely



RALPH R. ELTSE

ATTORNEY AT LAW
1440 WALNUT STREET
BERKELEY 9, CALIFORNIA
843-6906

-III-

...in connection with acquisition of property under either 1041 or under 1042. The capital gain tax applicable to income taxes and not to inheritance or estate taxes. It is only on the sale (or exchange) of property that capital gains are involved.

...In computing capital gain taxes where stock (or other property) passes upon death, the market or appraised value at the date of death is taken as the new cost basis in computing the capital gain on a subsequent sale of the stock. The new cost basis may be higher or lower than the original cost. If it is higher the capital gain would be less and therefore to the advantage of the taxpayer; whereas, if it is lower the reverse would be true.

There may be other questions which you wish to discuss or you may wish to have further explanations of the foregoing and we can consider them next Wednesday when you come here. I am sending this on so that you may examine it.

With affectionate regards to you and your father and mother.

Yours sincerely,

November 6, 1965

MEMORANDUM to Ralph:

I think I forgot to mention one other fact which might have had some bearing on our lawyer's action. The will was drawn up so that the estate would be divided as follows in the case of Dad's death: $\frac{1}{2}$ of the estate to Mother, as Community Property, and $\frac{1}{2}$ to be divided between Kay and Yoshi. One of the points he made was that when we sold the securities there would be considerable savings in Cap. Gains Tax because we would have to pay tax only on the profit realized from the market price of the date when the securities were inherited and not when originally purchased. I have no idea ^{now} ~~was~~ much of a savings this would actually be.

Did I mention that Mother has a will that duplicates Dad's, so I trust everything that holds true for his would be true for hers.

I told Dad that the stocks would be regarded as Community Property even though held in Joint Tenancy since they were acquired in California after their marriage. Also, that I understood there would be no State Inheritance Tax on them, and that in the event he predeceased Mother, they would automatically become her property and therefore not subject to Federal Inheritance Tax either. Am I correct? Could these same securities then be placed in Joint Tenancy under Mother's and My name? I thought you mentioned something like that.

If you have the time and it would be convenient, Dad said he would like very much to have you look at the wills we now have. It seems such an imposition after all your help yesterday, but I think he would find it reassuring to talk to you once if possible. There is no hurry at all and he said any time at your convenience would be fine. I could bring him there, as it wouldn't be hard for him with the elevator.

Thank you so much for your help.

Gratefully,
Yoshi

November 19, 1965

Mr. R. R. Eltse
1440 Walnut Street
Berkeley, California

Dear Ralph:

It was so kind of you to give us so much of your time on Wednesday to advise us further regarding Mother and Dad's wills. As I mentioned, it is like learning a foreign language to familiarize ourselves with legal terminology and we do appreciate your patience in helping us to understand. Dad sends his very warmest thanks. It was so thoughtful of you to plan his visit so carefully, even to the parking, to make it easy for him.

Because all of us would like to avoid the complications of probate, Dad thinks he would like to leave his stocks in Joint Tenancy, with right of survivorship, as they now stand. Also, I believe we will just leave them in Mother and Dad's names, not including Kay's or my name at this time, so they can be considered Community Property of husband and wife, thereby being tax-free for the surviving spouse. We could then add Kays and/or my name later to that of the surviving parent's as you suggested in paragraph II of your November 12 letter. Don't you think that is best?

May we therefore accept your very kind offer to draft a new will for Mother and Dad, revoking the prior will, confirming the provisions of the stock held in Jt. Tenancy and the fact that they are Community Property, and stating whatever else you think should be included, such as naming me as Executrix. Mother and Dad will then write them in long hand as holographic wills.

We do thank you so very much for your great help, Ralph. I know all this has taken much of your time and effort, and we are most grateful. I wish there was some way in which we might repay your kindness.

Affectionately,

645 63rd Street
Oakland, Calif. 94609
November 24, 1965

Mr. Ralph R. Eltse
1440 Walnut Street
Berkeley, 9, California

Dear Ralph:

Thank you so very much for your good letter of November 22nd and for the draft of Mother and Dad's wills. They were both so pleased to have such a concise and simple statement of their wishes and asked that I send you their very warmest thanks for your invaluable help. They both wrote them out completely in long hand and we all feel a great deal relieved to know that the future need not be unduly complicated by legal transactions.

We do appreciate so much your thoughtful help in this matter. I know it took a great deal of your busy time.

How nice that you and Ruth will be going to Carmel for Thanksgiving. I hope the weather will be good and that you will both have a real rest!

Fondest greetings from us all to you both.

Affectionately,

RALPH R. ELTSE

ATTORNEY AT LAW
1440 WALNUT STREET
BERKELEY 9, CALIFORNIA
843-6906

November 22, 1965

Miss Yoshiko Uchida
645 63rd Street
Oakland 9, California

Dear Yoshi:

I congratulate you for your ready ability to grasp the intricacies of the disposition of property by Will and by Joint Tenancy. Your letter of the 19th could have been written by an attorney with less understanding than yours.

I do think that the plan you have adopted will best serve the interests of all of you and be the simplest method.

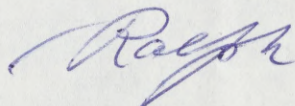
I enclose a draft of Will which can be copied by both your father and mother, with the necessary changes of names describing the survivor, that is, in your mother's will the name of your father should be written in. Also, in the clause where your name and that of your sister appear, I have used $\frac{2}{3}$ and $\frac{1}{3}$ simply to give an example.

If all of this is not clear I will be very happy to explain the same when we return from Carmel on November 27th.

With cordial greetings and best wishes to each one .

Most Sincerely

RRE;gm



LAST WILL AND TESTAMENT
of

Uchida

-1-

I hereby revoke all former Wills by me made.

-2-

I have already made disposition of my property, all of it being community property, but in the event any property remains in my estate at the time of my death, I give and bequeath it to my dear (wife) ^{husband} Bunroku Takeshi Uchida, if she survives me, otherwise ^{4/5} 2/3 of it shall go and pass to my daughter, Yoshiko Uchida, and the other ^{1/5} 1/3 shall go and pass to my daughter, Kay Keiko.

-3-

I nominate and appoint my daughter, Yoshiko Uchida, the executrix hereof, and she is to act without bond.

Witness my own hand this 23rd day of Nov, 1965
(at Seabrook, Cal. U.S.A.)

All in handwriting.

RALPH R. ELTSE
7TH DIST. CALIFORNIA

COMMITTEES:
NAVAL AFFAIRS
COINAGE, WEIGHTS, AND MEASURES

Congress of the United States
House of Representatives
Washington, D.C.

11/18/66 - "Consent to Transfer - In accordance with provisions of Calif. Inheritance Tax Law"
Forms. - issued by State Controller
By Edwin Reese, Treas. Ala. Co.
Issued for all Jt. Bank & + Stocks

645 63rd St.
Oakland, Calif. 94609
October 26, 1966

Mr. Ralph R. Eltse
1440 Walnut Street
Berkeley, Calif.

Dear Ralph:

The only bank accounts from which we need to eliminate Mother's name are now the following:

1. First Savings and Loan Assoc. 2151 Shattuck Ave., Berkeley 4

✓ 66-034096-7 ✓ Yoshi Uchida and/or Iku Uchida
as Joint Tenants

Balance: \$768.75

((\$5000. was released from this account
to me on 10/24/66)

2. American Savings and Loan Ass'n of Calif., Shattuck Sq. Berkeley

starred ✓ 01-18459 ✓ UCHIDA, Dwight T. or Iku or Yoshi
As Joint Tenants with the Right of Survivorship

Balance: \$9249.27 (as of 10/24/66)

✓ 01-49859 ✓ Mrs. Iku Uchida
Miss Yoshi Uchida
As Joint Tenants Either or the Survivor

Balance: \$8808.43 (as of 10/24/66)

(The man here gave me the forms I left with you on 10/24)

3. Wells Fargo Bank, Berkeley Main Office

✓ 238220 ✓ Miss Yoshi Uchida or Mrs. Iku Uchida

Balance: \$3642.01 (as of 10/24/66)

The starred accounts are my own funds and Mother's name was added as a convenience. The accounts at American Savings are Mother and Dad's and are community property.

All the other accounts I listed on my Memo of October 13, *Items 4, 5 + 6,* have been taken care of, so they can now be crossed off. The above three require the affidavits and consent to transfer. No death certificates are required for these.

Please let me know when I can type the forms.

Gratefully,

645 63rd St.
Oakland, Calif.
October 29, 1966

MEMORANDUM

TO: Ralph R. Eltse

FROM: Yoshi Uchida

This is to inform you that my savings accounts at Wells Fargo Bank and First Savings and Loan Ass'n, were derived largely from the following:

- Royalty on 11 books written between 1949 and 1965 of approximately \$16,000, and,
- Earnings of approximately \$23,500 from employment as secretary at the Lawrence Radiation Laboratory of the University of California from 1957 - 1962.

UCRL

157 - 3192
58 - 4569
59 - 4882
60 - 5612
61 - 3294
62 - 1992

23,541

10-29-66

Dear Ralph:

I hope the enclosed memo will do for my affidavit regarding my funds.

I will go to the bank Monday morning and get the numbers on the stock certificates and either mail them or bring them to you.

Oct. 31, 1966

Dear Ralph:

Enclosed is the list of
Dad's stock certificates with
the numbers and the number of
shares on each.

We realized more and more
how much work this is for you,
and are most appreciative.

Please let me know when
I can type the forms.

October 31, 1966

MEMORANDUM

TO: Ralph R. Eltse

FROM: Yoshi Uchida

The following stocks were held by Mother and Father as community property.

All were issued to "Dwight T. Uchida and Mrs. Iku Uchida as Joint Tenants with Right of Survivorship and not as tenants in common." In the case of The Japan Fund, I believe the Mrs. was not included, if that makes any difference.

✓✓ 150 shares <u>The Gillette Co.</u>	- 50 shares	NC 11027	✓ } NC - 1/16/67 Transf
100 CC 50111	100 shares	NC 101870	
50 CC 61898			
✓✓ 100 shares <u>Otis Elevator Co.</u>	- 100 shares	N 144061	✓ } NC 1/20/67
100 N 324497			
✓✓ 115 shares <u>Standard Oil Co. of California</u>	- 50 shares	NY A122646	✓ } OK. Transferred 1/13
	50 shares	NY A47265	
100 SF 47713	5 shares	SF 46628	
	5 shares	SF 702407	
15 SF 316651	5 shares	SF 387751	
		CA	
✓✓ 242 shares <u>Standard Oil Co. Laws of the State of Ohio</u>	- 100 shares	C 50713	✓ } OK - 1/17
	50 shares	CH 79787	
100 C 68596	50 shares	CC 27835	
	21 shares	CC 203242	
100 CH 68597	11 shares	CC 131570	
42 CC 211734	10 shares	CC 66931	
		O	
✓✓ 300 shares <u>The Japan Fund, Inc.</u>	- 100 shares	N 49451	✓ } OK Transferred 1/13
100 N60 294	100 shares	N 49452	
100 N60 295	100 shares	N 49453	
100 N60 296			

The following is also part of Mother and Dad's community property, but was issued to Mother and me. "Mrs. Iku Uchida and Miss Yoshi Uchida J/T with right of survivorship and not as tenants in common."

✓✓ 100 shares Armco Steel Corp. - 100 shares Y 367624 ✓ } Transf 1/17
100 - CH 27526 SS.
133-26-7281

645 63rd Street
Oakland, Calif. 94609
November 14, 1966

Mr. Ralph R. Eltse
1440 Walnut Street
Berkeley, California

Dear Ralph:

Enclosed is a check for \$61.60 representing the amount you advanced for us in payment of the bill from the Tax Appraiser.

Thank you so much for taking care of this for us, and for your patient, thoughtful help in so many ways.

Fond greetings from us both to you and Ruth.

All the best,

Date. November 9, 1966

No. RCB - J- INF

ESTATE OF UCHIDA, IKU
ATTORNEY Ralph R. Eltse, 1440 Walnut Street, Berkeley, California

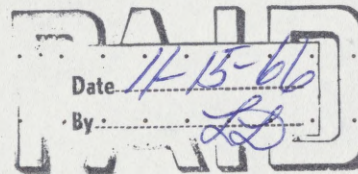
STATE INHERITANCE TAX APPRAISERS

ARNOLD C. ANDERSON
ROBERT C. BURNSTEIN
EVELIO GRILLO
JAMES A. KENNEDY

806 BANK OF AMERICA BUILDING
1212 BROADWAY, OAKLAND, CALIFORNIA
836-4411

DONALD P. McCULLUM
RICHARD P. SCHACHT
LEONARD SEELEY

SERVICES AS APPRAISER \$61.60



NOTARY FEES \$

MILEAGE \$

\$

Please Return This Statement With Your Payment

TOTAL \$61.60



Make Checks Payable To State Inheritance Tax Appraisers

RALPH R. ELTSE

ATTORNEY AT LAW
1440 WALNUT STREET
BERKELEY 9, CALIFORNIA
843-6906

November 16, 1966

Miss Yoshi Uchida
645 63rd Street
Oakland, California

Dear Yoshi:

I hand you herewith :

- S.O. Calif missing* →
- ✓ 1- Ten Consents To Transfer covering the stock and the Bank and Savings Accounts.
 - 2- Six Affidavits-Form C-40 (3-64)-covering the six different Companies (each separate), all of which, except the Armco Co stock, are to be signed by Dwight T. Uchida, and the Armco Co one is to be signed by you.
 - 3- Six Affidavits Death of Joint Tenant, all of which have already been signed by Yoshi Uchida, but not notaried. I have attached a memo to these stating that you may not need to use these.

Items numbered 1 and 2 together with the Certified Copies of Death Certificate (and perhaps item # 3) should be delivered to Schwabacher & Co so that the necessary transfers may be made. That company will have a Notary Public available to take acknowledgement of your and your father's signatures.

You will decide to whom the new Stock Certificates are to be issued, whether some or all are to be issued to you and your father in Joint Tenancy, or some other combination. You may wish to discuss this particular point with me since it does involve the question of inheritance and also the matter of termination of Joint Tenancy, and the question whether such termination proceedings can be avoided. I shall be happy to make an appointment .

Cordially and Sincerely



P.S. Thank you for the \$61.60 check for Appraiser fee, receipt for which I have and will hand you.

So far the Inheritance Tax Department has not sent me a Certificate of " No Tax", but I fully expect it to come before long.