



EICH, WERDEN & STEGER PC

Ronald F. Eich
John C. Werden
Curt S. Steger
Aaron W. Ahrendsen
LAWYERS

815 NORTH MAIN, CARROLL, IA

EICH, WERDEN & STEGER PC

LAW TALK

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THE FIRM

Eich, Werden & Steger PC, or as we like to call our firm “EWS”, is a general practice law firm with offices in Carroll, Manning and Wall Lake. Our main location is at 815 N. Main Street in Carroll. Our website is eichlaw.com. We have 4 attorneys, 2 Legal Assistants, and 3 staff persons to assist you. We practice in nearly all areas of law, including lawsuits, workers’ compensation, probate, estate planning, business law and real estate. We have short bio sketches later in this newsletter, indicating the areas of emphasis for each of the lawyers.

IOWA LANDLORD’S LIEN

Ron Eich

Many farm leases provide for two installment payments of the rent. Typically, the first payment is made at the beginning of the lease or crop year, and the other payment is in the fall. In troubled times, many landlords are concerned about their legal rights in the event the tenant fails to make a lease payment.

Iowa Code §570.1 provides that a landlord shall have a lien for the rent upon all crops grown upon the premises. This means that a lien automatically attaches to the farm products grown on the property. The landlord has a lien. This does not mean, however, that the lien is perfected. Only a perfected landlord’s lien is prioritized ahead of other creditors, such as the bank or agricultural supply dealers who have a security interest that was perfected before March 1st. In order to perfect a lien in farm products (making it enforceable as against other creditors), a landlord must file a financing statement with the Iowa Secretary of State. This is required by the Iowa Code. A perfected landlord’s lien puts the landlord in a position better than that of many other earlier perfected creditors. To perfect a landlord’s lien, a landlord must take the following steps: (1) file a standard financing statement (UCC-1) with the Secretary of State within 20 days of the tenant taking possession (by March 20th); (2) the statement must say that it’s “for the purpose of perfecting a landlord’s lien”.

Although a perfected lien does not guarantee that a landlord would recover his payment due, it does provide the maximum legal protection available.

The tenant might also benefit from the landlord “perfecting” the landlord’s lien. A troubled tenant may want his landlord to have priority over other creditors so he is in a better position to rent the farm in future years. If other creditors get the crop and the landlord is unpaid, the chances of getting to rent the farm again are dismal.

BUSINESS MEAL DEDUCTION

John Werden

A Tax Court case supports making certain business meals 100% deductible instead of only the usual 50% deduction. You can qualify for this larger deduction if you make arrangements:

1. you own or lease an eating facility for your employees (for example, a meeting at a hotel);
2. you operate the eating facility for your employees (this requirement can be a hotel);
3. the eating facility is located on or near the business premises (the hotel is the business premises at that time);
4. you provide the meals during or immediately before or after your employee’s workday; and
5. you provide the meals described above for your convenience and in a non-discriminatory manner.

When your employees meet for legitimate business purposes for conferences and training events, the meals may qualify for the 100 percent deduction. Don’t settle for a 50% deduction. Tax planning can save you money.

THE ATTORNEYS



Ronald F. Eich has been in the practice of law for over 47 years, with an emphasis on agri-business matters including probate, estate planning, trusts, income tax preparation, business organizations, real estate and other transactional matters. He is still active in the practice but only works parttime, except during the tax season.



John C. Werden is currently serving on three state level committees. The Iowa State Bar Association Jury Instruction Committee, the Iowa Best Practices Committee and the Iowa Department of Human Rights Sex Offender Research Council. John practices in the areas of estate & tax planning and business & real estate transactions.



Curt S. Steger has been practicing law for several years in Iowa, South Dakota, and Nebraska with an emphasis, on civil litigation, tax, family law, real estate, workers compensation, criminal prosecution, probate and general practice. He is also a member in the Manning Rotary Club, a board member of KuemperCares, and a member of the Carroll Young Professionals Club. When not working, Curt generally spends time with his wife Lyndi and their four boys – Aiden, Reid, Jude, and Miles.



Aaron W. Ahrendsen grew up on a farm south of Manning. He has stayed busy in the office this year handling a variety of matters for clients in the Manning and Carroll offices.

When not at work, he volunteers his time serving on local boards and took a trip to the U.S. Open golf tournament at Erin

Hills in Wisconsin this past June to see the world's best golfers.

Easy Hamburger Soup *With an emphasis on easy*

1 or 2 cans of Veg All (I know fresh is best, then frozen, this recipe is focused on quick and easy!), brown 1 pound of ground beef, 2 cans of chicken broth, dry onion soup mix, 1 large can of tomato sauce and then add whatever herbs & spices which you like and have on hand – bay leaf, dried onion, cayenne pepper, or like me – garlic goes with everything. Start on med-high heat and just before a boil, turn down and simmer for 10 minutes.
-John Werden

ESTATE PLANNING: A COMMON FARM PROBLEM

Aaron Ahrendsen

The common problem we see when meeting with our farming estate planning clients relates to farming succession planning. Several clients wish to leave the family farm to their children. In many of these cases, the client has not considered the potential problems of leaving the family farm to their children when they have two or more children. Usually a client's children are not all interested in farming. There may be one child that wants to stay on the farm or take over the farming operation while the other child or children have moved to more urban areas and have no interest in farming. When this happens, there needs to be specific planning done to avoid future complications and family feuds.

Potential problems arise when the family farm is left to two or more children because under Iowa law, any person that has a current interest in real estate can ask the Court that the real estate be sold. If one or more children no longer wants to be a part of the farming operation, they can force the sale of the entire farm. This is usually a result that is not wanted by many of our

farming clients. This, in many cases, pits the children against each other and requires one of the children to buy out his or her brothers or sisters and can put severe financial strain on the family relationship.

There are several options available to clients to avoid this situation depending on your specific circumstance. One option is the use of a trust that protects the real estate and provides directions on what happens with the real estate in the future. A second option is family agreements or buy-sell agreements which allow the client to set specific conditions on the future sale of the real estate or provide for advance buyout procedures. A third option is the use of a limited liability company to provide ownership structure to the real estate in the future.

Depending on your specific situation, one or more of these options may be utilized to avoid this common farm problem. Careful planning now can avoid future headaches and conflict for your family and ensure the family farm will stay in the family.

SELLING YOUR HOME

Curt Steger

Selling a home is a life changing event which may only happen once or twice in your lifetime. For most people, their first inclination is to contact a real estate agent. This is because the thought of selling their house "For Sale by Owner" might be intimidating; however, it doesn't have to be. Over the years we have assisted many

clients through the legal process of selling their homes privately. Our attorneys have assisted clients with negotiating terms, drafting sales agreements, obtaining abstract opinions, insuring compliance with regulations, and closing real estate transactions. These services are generally provided on a flat fee basis at a fraction of the cost associated with using a listing agent.

If you are thinking of selling your home on your own and would like assistance with the process, contact any of the attorneys at Eich, Werden & Steger, P.C. We would be glad to help and seldom are our fees over \$999 and they are not based on a percentage of the sales price.

THE LEGAL ASSISTANTS



Jo Grundmeier continues her affiliation with Fitness Pro Travel and is planning on spending a week at Secrets Puerto Los Cabos in January. In August she and her husband, Rob,

went to the Solheim Cup in Des Moines to watch the women pro golfers. They also are season ticket holders at CY Stephens

in Ames and are looking forward to this year's Broadway productions and musical performances.



Carla Hinners has been busy keeping up with a growing family as her daughter Sara and her husband Tyler added a son to the mix last February. Jonah

joins big sister Lillian at their home outside of Marshalltown. Daughter Rachel became certified in cycling and has been teaching classes in Des Moines. She has also been doing some fitness modeling and you may have seen her recently in Hy-Vee's Balance Magazine. You will find Carla behind the scorer's table at Kuemper basketball games again this year, and she still enjoys attending livestock shows to watch her nephew show. We are just not sure where she finds the time to chase cowboys...

THE SUPPORT STAFF



Linda Jensen joined our firm in December, 2015. She is in the Manning office on Tuesdays and Thursdays and in the Carroll or Wall Lake office the rest of the week. 2017 brought on a new

chapter in their lives with the purchase of

a much smaller "empty nest" home. Linda and Don have been working on an extensive, complete remodel of the home. "It has been fun yet exhausting and I hope to never do it again!"

Laura Wilken is in her third year with the firm. Laura lives in Westside with her husband, Michael, and two sons, 17 year old Keegan and 4 year old Maxton. Laura and her family took a vacation to Minnesota this summer as well as their yearly Vegas



trip in the spring. Laura stays busy attending her son's sporting events, chasing her 4 year old, managing the Westside Tap which they co-own, and enjoying some free time

whenever she can find it!



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EWS

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Ronald F. Eich
John C. Werden
Curt S. Steger
Aaron W. Ahrendsen
LAWYERS

815 NORTH MAIN
CARROLL, IA 51401-2372

Ph 712-792-3424 (EICH)
FAX: 712-792-7770

Manning: 712-655-3424 (EICH)
Wall Lake: 712-664-2273

RETURN SERVICE REQUESTED

Visit us on the Web: www.eichlaw.com



Attorneys: (front) Ronald F. Eich, John C. Werden, Curt S. Steger, Aaron W. Ahrendsen
Legal Assistants: (back) Carla Hinners, Jo Grundmeier. **Support Staff:** Laura Wilken, Linda Jensen

The income tax season is just around the corner and we are preparing for a busy time of year. For those of you who have us prepare your tax returns, you will receive your appointment, tax letter and worksheets in the mail. If you are not currently a tax client of EWS, please consider our firm.

Call 792-3424 (792-EICH) to schedule your appointment today.