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LAW OFFICES OF GARY R. WAITZMAN, L.L.C.

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Supreme Court Agrees to Rule on Anna Nicole Smith Estate Case - Again

While her notoriety was scandal for the tabloids, the starlet's estate planning battles and mistakes can be used as a teaching tool with clients.

Anna Nicole Smith, former exotic dancer turned fashion model, Playboy Playmate and reality TV star, died of a drug overdose in 2007.

Though Smith is gone, she hasn't faded from the headlines. News agency Reuters recently reported (<http://tinyurl.com/32yzod4>) that her estate continues a longstanding fight with the estate of her late oil baron husband.

Will Neglects to Mention Wife

In 1994, Smith married Texas billionaire J. Howard Marshall. She was 26, and he was 89. He died 14 months later, leaving an estate worth \$1.6 billion.

Marshall's will left nearly all his money to his son, Pierce Marshall, and nothing to Smith. She challenged the will, claiming he promised her more than \$300 million.

This month the Supreme Court said it would decide whether Smith's estate deserves part of Marshall's estate. The court is expected to hear arguments early next year, with a decision likely by June.

Everyone's Dead but the Lawyers

This marks the second time the high court has agreed to consider the case. The earlier ruling in 2006 only addressed whether federal courts can decide Smith's claims, not the merits of her arguments.

In March, a U.S. appeals court in California ruled against Smith's estate. It was a victory for the estate of the late Pierce Marshall, who died in 2006.

The current issue for the Supreme Court in the latest appeal involves whether the appeals court improperly limited the power of federal bankruptcy judges in considering such claims.

And Baby Makes Beneficiary?

Smith left behind an infant daughter, Danielynn, as her sole heir. The now 4-year-old child stands to benefit if the Supreme Court rules in her mother's favor. Smith's one-time lawyer and boyfriend, Howard K. Stern, is executor of her estate.

Before Smith died, she claimed that Stern was her daughter's father and listed him on the birth certificate. DNA testing after her death revealed that the biological father was Smith's former lover, Larry Birkhead, who was awarded full custody.

From her challenge to her husband's will to her own lack of proper estate planning, Smith's story is full of teaching points for advisors on educating their clients how to avoid similar traps.

As always, I hope this article has helped you and your clients. If there is a specific concern or case you'd like to discuss, contact our office.

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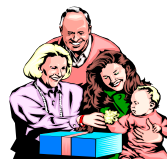
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