

Copyright Termination Rights

How they can affect estate planning

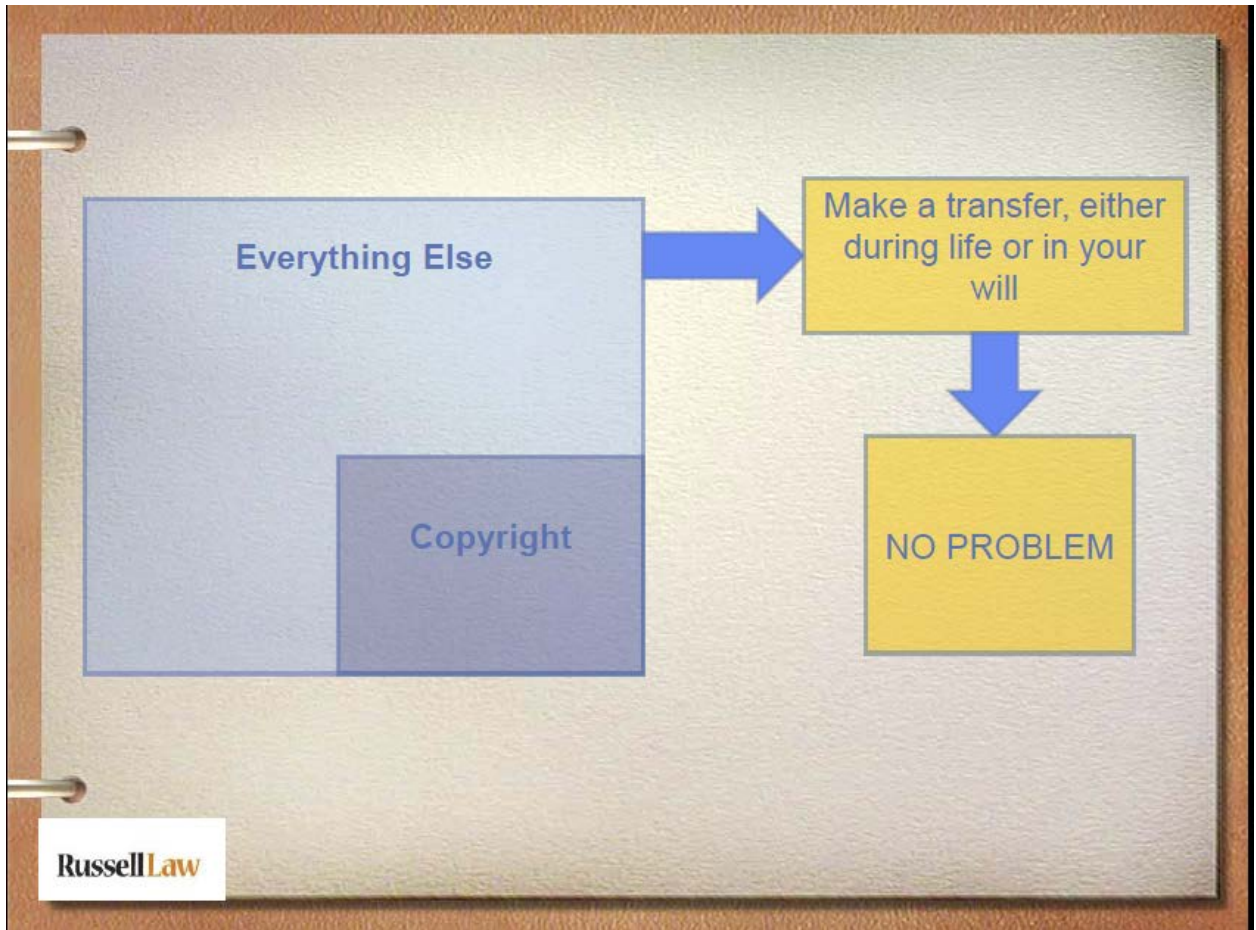
Elizabeth T Russell

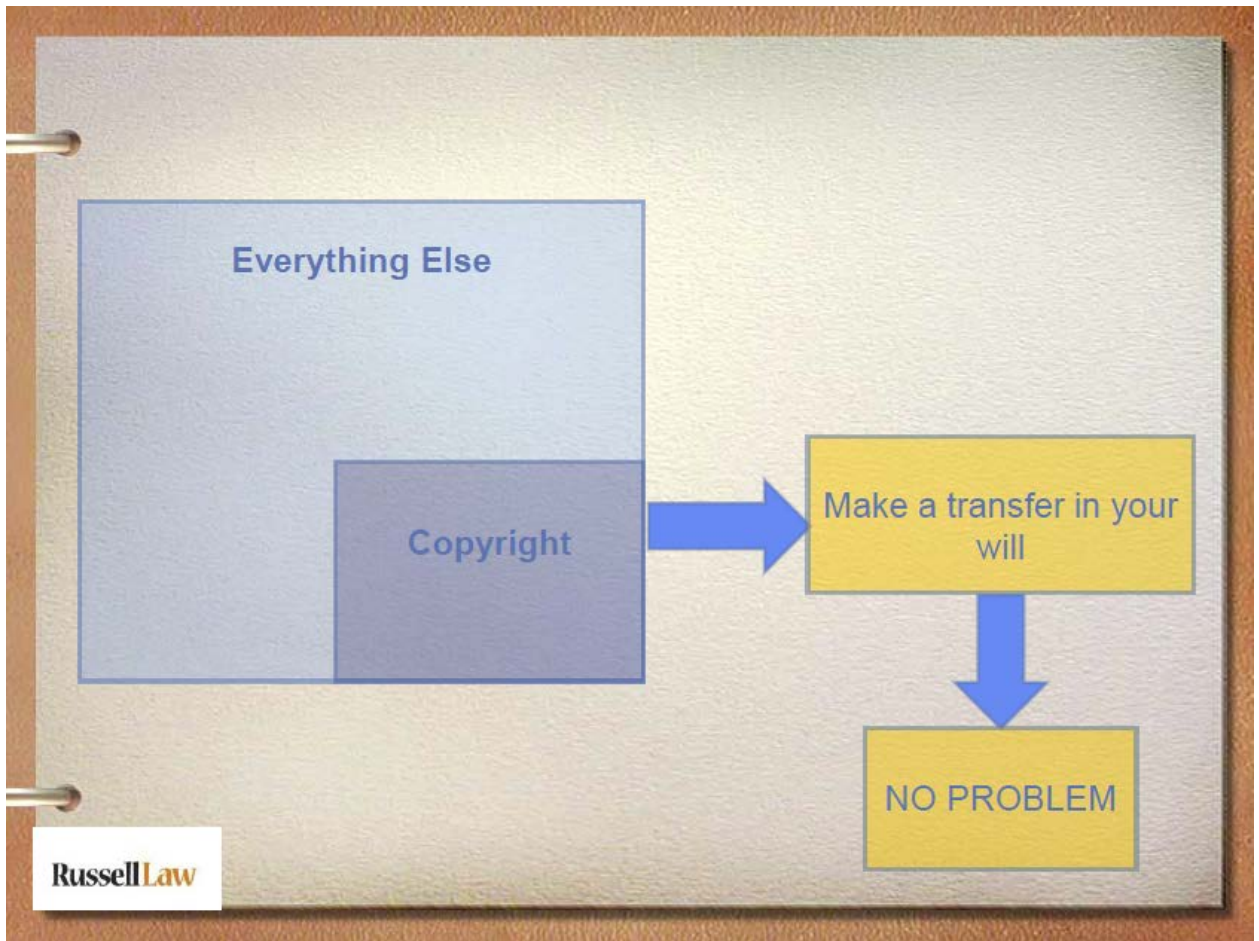
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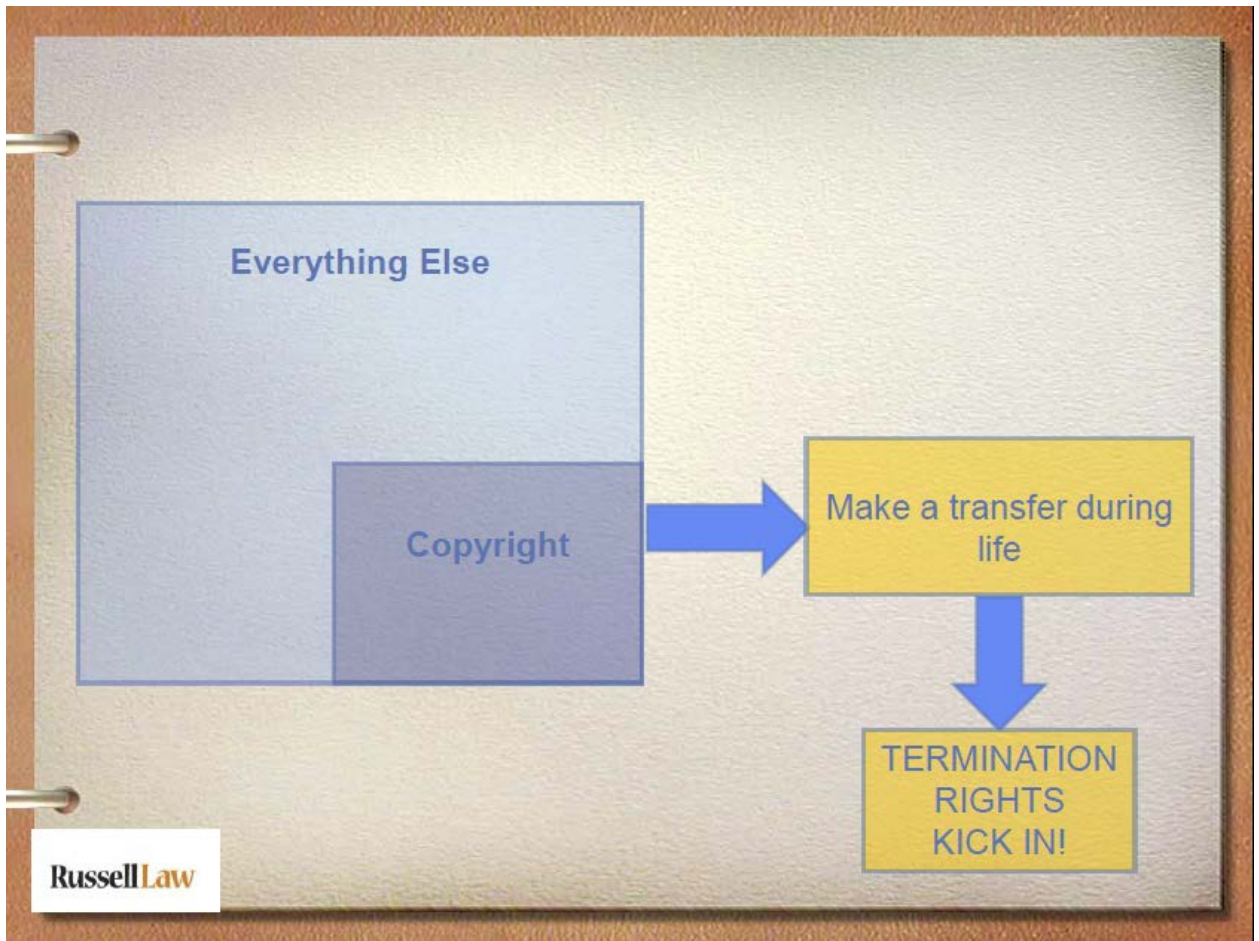
Your Estate

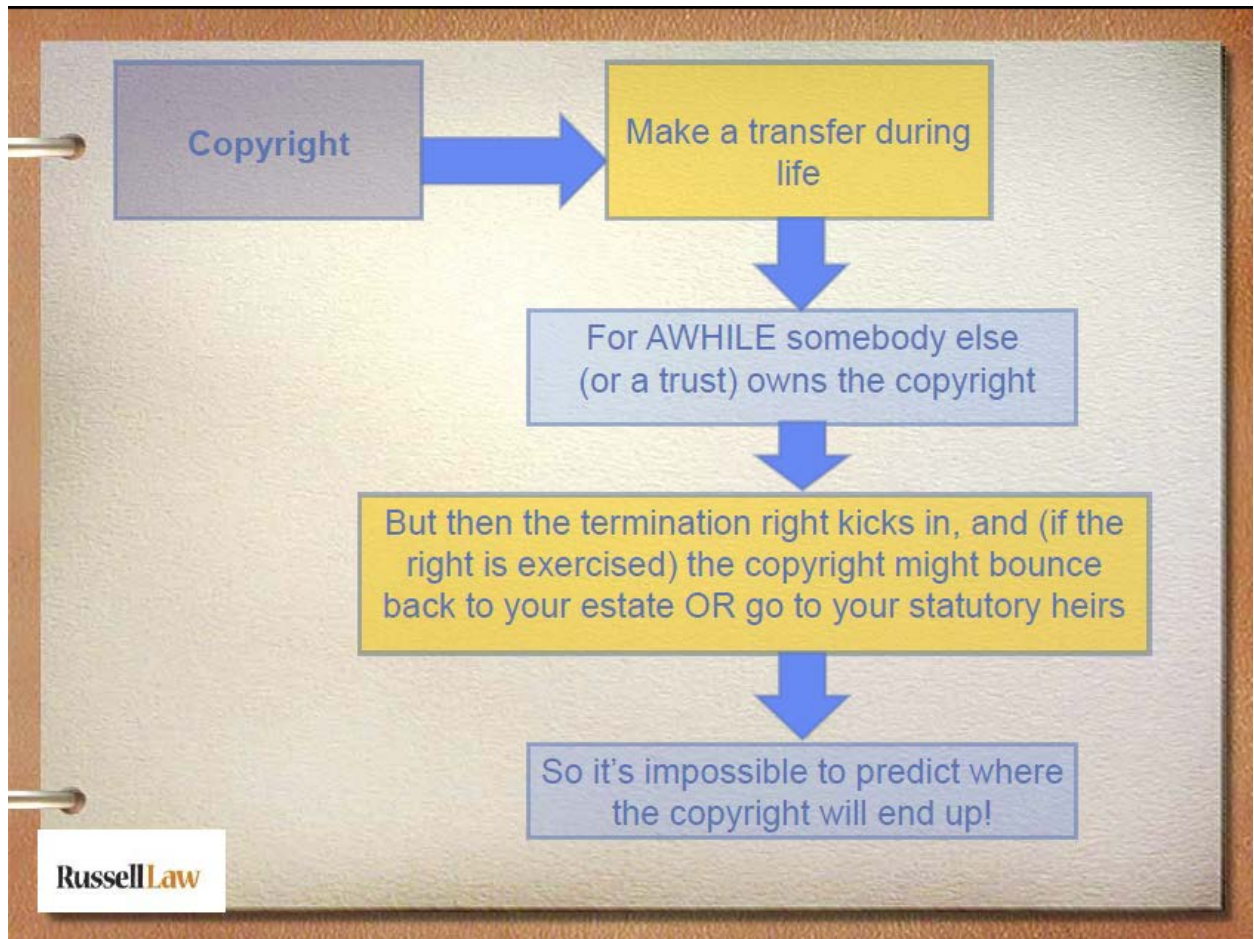


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Reasoning Behind The Termination Right

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- You create copyrightable work
- You transfer the copyright to BGC (*big giant corporation*) for \$X.00
- BGC causes the work to earn [\$X.00] x [millions!]

- BGC gets rich off your work
- You say, “*Hey! Not fair! You only paid me \$X.00!*”
- BGC says, “*Tough *#!^*”

The law exists to protect you
against “unremunerative” deals

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- 35 years later the termination window opens
- You say, "*I want my copyright back*"
- And you (or your statutory heirs) get it

The termination right is
inalienable and cannot be
waived.

So once you make a lifetime
transfer, it *will* exist

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Why this matters

- Outstanding termination rights reduce the value of the copyright
- Your intent regarding eventual copyright ownership might not be achieved
- It might be necessary to keep your estate open until all termination windows have closed

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Why else this matters

- There can be gift tax consequences of “activating” the termination right by making a lifetime transfer of copyright
- The termination right is a separate asset that might not qualify for the estate tax marital deduction

What you should do

- If copyright assets are part of your estate, tell your estate planning professional to consult with a copyright lawyer
- If you have already made lifetime transfers (licenses/assignments) consult a copyright lawyer to identify when your termination windows open and close

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Thank you

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49 Kessel Court, Suite 200
Madison, WI 53711
608-285-5007

beth@erklaw.com
www.erklaw.com
artslawyer.blogspot.com

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