

ESTATE PLANNING AFTER THE 2010 TAX ACT

QUICK REFERENCE CHECKLIST

REVIEW CONSIDERATIONS

State Estate Taxes	In decoupled states, the cost of state estate tax could be substantial. Although state estate taxes will not justify the extensive and costly planning a 55 percent federal estate tax would have, the costs are not insignificant, and planning in appropriate states is warranted.	<input type="checkbox"/>
Residency or Domicile	Residency or domicile for a client is significant for the determination of income tax, trust situs for nongrantor trusts the client has established, estate taxation (or avoidance), and interpretation of the client's will.	<input type="checkbox"/>
Income, Capital Gain, Dividend, other	Income, capital gain, dividend, and other tax planning considerations under the TRA. Asset location, Roth conversion, and a myriad of other decisions have been affected.	<input type="checkbox"/>
Estate Tax Changes	TRA's generous estate tax changes disappear in 2013, so planning for that possibility, however low a client may view the likelihood, could be valuable.	<input type="checkbox"/>
Asset protection	Asset protection was significant pre-TRA and will remain significant post-TRA. However much the tax laws gyrate, malpractice, divorce, premises liability, and other risks can decimate an estate far worse than any tax.	<input type="checkbox"/>
Special Needs	Planning for a child or other client family member or loved one with special needs or special health issues. Approximately 120 million Americans live with chronic illness, yet most plans give scant attention to the issues they face.	<input type="checkbox"/>
Preventing Elder Abuse	Preventing elder financial or other abuse. The mere fact that this issue has a name, "elder financial abuse," suggests how common the issue has become and how important it is to plan for.	<input type="checkbox"/>
Budgeting	Budgeting. Many, perhaps most, wealthy clients view "budgeting" as a four-letter word. But, as the recent economic disruptions demonstrated, budgeting remains the foundation of every financial plan. A financial plan is the foundation for investment planning. And all of these are critical to properly addressing estate planning, whatever the tax system provides.	<input type="checkbox"/>

UPDATING AND TRACKING (perform regularly while project is in progress)

Track Progress		<input type="checkbox"/>
Report Project Status		<input type="checkbox"/>

ESTATE PLANNING IS NOT OVER, ONLY DIFFERENT

Whether or not the estate tax applies, if business succession, corporate, asset protection, and other relevant matters aren't identified, in many cases important issues won't be addressed.