

Everyday Scenarios

and sensible solutions

Preserve Protect Simplify

Everyday Scenarios

*What a shocker!
I had no idea that
estate taxes could
take such a big bite
out of what I've built
for my family.*

"I built my business, and my wealth, with grit and hard work. Doesn't seem fair that what's mine can't go to mine."

Sam, a retired entrepreneur, had consulted us initially about managing his investment portfolio. "While you're at it," he'd added, "might as well take a look at everything else, too. Just in case." It was that in-depth financial review that alerted us—and an indignant Sam—to some potentially severe estate tax liability issues. "You sure about that?" he probed. Then he sighed. "Okay, no point in shooting the messenger."

"Besides," he said, rebounding, "if there's one thing I've learned, it's that there's always a solution. Usually *more* than one. Right?"

Right, indeed. There are a number of strategies to soften the impact of estate taxes. Some quite simple. Others requiring the expertise of estate planning attorneys to implement. All available to Sam. Because of our independent structure—with no vested interest in any product or service—we were able to provide what Sam needed most: an impartial overview of his options. We also, naturally, had some recommendations tailored to his precise needs.

We suggested, for instance, that he establish a program of annual gifts to his children, grandchildren and great grandchildren to help reduce his taxable estate over time. We also looked into the way Sam's extensive holdings were titled. Even with a scrupulously updated will, it's the way property is titled that determines how ownership passes. To be sure Sam's holdings would transfer in the most advantageous way, we recommended he review the titling of all bank and brokerage accounts, stocks, real estate and other assets.

No strategy to reduce estate taxes would be complete, of course, without considering trusts. "Never thought much about them," said Sam. That quickly changed—as soon as he heard that a married couple could shelter *twice* as much from estate taxes with trusts than without trusts. "Interesting," said Sam, "Tell me more."

We obliged, hitting the highlights with our condensed version of "Trusts 101." Sam was especially intrigued with the potential offered by family, marital and charitable trusts—and quickly agreed when we recommended that he arrange an in-depth discussion with his attorney. Once the trusts were established and funded, our role, should Sam wish it, would be as impartial trustee—supervising and scrupulously implementing the terms of his trusts.

"Bet you're good at it, too," grinned Sam, "with your eye for detail."

"We'd better be," we told him, "we've built *our* business on it."

In the interests of client confidentiality—which we take very seriously, Sam is a composite example. The services described, however, are real, and represent just some of the ways we help clients preserve, manage and transfer wealth.