

LEARNING OBJECTIVES

- Describe estate taxes and the purpose of estate taxes according to the Internal Revenue Code (IRC)
- Identify the various types of trusts that can be used for estate planning
- Recognize what is included in the gross estate of a decedent
- Calculate the gross estate of a decedent
- Recognize the various deductions and credits available when calculating the gross estate of a decedent
- Describe the purpose of Generation Skipping Transfers and the Generation Skipping Transfer Tax according to the IRC

PART 1 - ESTATES, ESTATE TAXES AND ESTATE PLANNING TOOLS

TOPICS COVERED

- Estate Tax Defined
 - Estate Planning
 - Attorney
 - Accountant
 - Insurance Agents
 - Financial Planner
 - Administration
 - Internal Revenue Service (IRS)
 - Intestacy
 - Probate Court
 - Trustee
 - Executor / Executrix
 - Family Responsibilities
- Tools and Techniques for Estate Planning
 - The Probate Process
 - Disposing of Property Using a Will
 - Disposing of Property Without a Will
 - Non-Probate Transfers
 - Joint Tenancy with Right of Survivorship
 - Tenancy in Common
 - Retirement Accounts
 - Payable on Death Accounts (POD)
 - Life Insurance of a Decedent
 - Gifts Completed
 - Transfers Executed by Means of a Trust
- Trusts
 - Trusts Defined
 - Reasons for Using a Trust
 - Living vs. Testamentary Trusts
 - Building Blocks of a Trust
 - Trusts - Revocable
 - Trusts - Living
 - Reversion Defined
 - Living Trust Advantages
 - Living Trust Disadvantages
 - Pour-Over Will
 - Trusts - Irrevocable
 - Trusts - Testamentary
- The Taxation of Trusts
 - Grantor Trusts
 - Grantor Retained Income Trusts
 - Using Revocable Trusts
 - Estates Compared to Living Trusts
 - Using Irrevocable Trusts
 - 2019 Trust Income Tax Rates
 - 2020 Trust Income Tax Rates
 - Capital Gains Treatment in Trusts
 - Deduction of Estate Planning Expenses
 - Deduction of Expenses
 - Gift Tax with Respect to Trusts
 - Estate Tax with Respect to Trusts
 - Unlimited Marital Deduction
 - Marital Deduction Trust
 - Qualified Terminable Interest Property (QTIP) Trust
 - "A-B" Trusts
 - "A-B-C" (QTIP) Trust
 - Tax Basis
 - Alternative Valuation

- Revocable Living Trust Clauses
 - Identification Clause
 - Trustee Clause
 - Property Transfer Clause
 - Revocation and Amendment Clause
 - Income and Principle Clause
 - Recital Clause
 - Trustee Requirements
 - Advantages of Hiring Corporate Trustees
 - Advantages of Hiring Individual Trustees
 - Trust Termination Clause
 - Life Insurance Trust
 - Annual Gift Tax Exclusion
 - Unlimited Donees
 - Gifts Exceeding \$15,000
 - Lifetime Exclusion for an Estate
 - Unlimited Marital Deduction
 - Gift Splitting
 - Consent to Gift Split Applies to All Gifts
 - Gift Splitting Requirements
 - Community Property States
 - 5-year Deferral and 10-year Installment Payment
 - Installment Sale to Family Members
 - Self-Canceling Installment Notes
 - Private Annuities
 - Crummey Trusts
 - Charitable Remainder Trusts
 - Minor Trusts
 - Family Limited Partnerships
 - Grantor Retained Annuity Trust
 - Qualified Personal Residence Trusts (QPRTs)
 - Grantor Retained Annuity Trust
 - Grantor Retained Unitrusts (GRUTs)
 - Past and Present Exemptions and Estate Tax Rates
- Estate Planning Goals
 - Estate Plan Outcomes
 - Types of Estate Taxes

PART 2 - ESTATE TAX CALCULATION

TOPICS COVERED

- The Gross Estate
- Liabilities of the Decedent
- Administration Expenses
 - Court decree
 - Consent decree
- Debts

- Dower, Curtesy, or Statutory Share of the Living Spouse
- Power of Appointment
- Joint Tenants with Right to Survivorship
- Transferred property in which the decedent retained an interest
- Government Obligations
- Life Insurance Proceeds
- Annuities and Survivor Benefits
- Medical Insurance Expenses
- Medical Insurance Reimbursements
- Gifts within 3 Years of Death
- Gifts of Life Insurance
- "Inter Vivos" Transfers
- Community Property
- Qualified Terminable Interest Property (QTIP)

PART 3 - VALUING THE GROSS ESTATE

TOPICS COVERED

- Deductions for the Gross Estate
- Expenses
- Charitable Contributions
- Marital Transfers
- State Death Tax Deduction
- Gross Estate Credits
 - Applicable credit amount (ACA)
 - Portability of unused applicable exclusion amount
 - Portability provisions
 - Irrevocable Election of Portability
 - Individuals Who Can Make a Portability Election for an Estate
 - Portability Examples
 - Portability Provisions to the Surviving Spouse's Estate
 - Portability Provisions when Surviving Spouse is Not a U.S. Citizen

- Examine returns of deceased spouses
- Estates of nonresidents who are not citizens DSUE amounts
- Federal estate tax paid on prior transfers
- Foreign Death Taxes
- Credit for gift taxes on pre-1977 gifts
- Estate Tax Payment and Return
 - Reporting of value not required for certain property
 - Return Due Dates
 - Alternate Valuation Method Recapture
 - Assessment Period
 - Basis reporting requirement
 - Portability election for unused applicable exclusion amount
- Tax charged to property
- Estate taxation on nonresident aliens

PART 4 - GIFT TAXES AND GENERATION SKIPPING TAXES

TOPICS COVERED

- Gift Tax Defined
- Unified Transfer Tax System
- Lifetime Exclusion for an Estate
- Why Gift Taxes Are Required
- Timing of a Gift
- Gifts to an Entity
- Crummey Trusts
- Gifts to Minors
- Outright gifts
 - Tax Cuts and Jobs Act Trust Income Tax Rates
 - 2019 Trust Income Tax Rates
 - 2020 Trust Income Tax Rates
- Guardianship
- Custodial arrangements
- Present Interest of Gifts to a Minor
- Qualified State Tuition Programs
- Not all Gifts are Subject to Gift Tax
- Gift that do not exceed annual exclusion
- Gifts to a Spouse
- Charitable Gifts
- Transfers to charitable organizations not subject to federal gift tax
- Political Contributions
- Qualified Tuition Payments
- Medical Costs
- Annual Exclusion Amount
- Unlimited Donees
- Gifts Exceeding \$15,000
- Present Interest vs. Future Interest
- Gift Splitting
 - Consent to Gift Split Applies to All Gifts
 - Gift Splitting Requirements
 - Community Property States
- Gift Tax Return
- Gift Tax Return Due Date
- Valuation
- Real Estate
 - Valuation Understatement
- Computing Gift Tax
- Generation Skipping Transfers
 - Transfer Types
 - Exemption Amount
 - How to compute generation skipping transfer tax
 - Generation Skipping Terminations Tax (GSTT)
 - Generation Skipping Distribution Tax (GSDT)
 - Direct Skip Gift Tax (DSGT)
 - Direct Skip Estate Tax (DSET)
 - Filing the return and paying the GSTT
- Gifts and bequests from expatriates
- Tax Cuts and Jobs Act – Changes related to Estate, Gift, and Generation-Skipping Transfers Taxes
 - Modifications to Estate, Gift and Generation-Skipping Transfers Taxes