





2023 PRIVATE CLIENT FORUM

2026 is on the horizon. What estate planning do I need to do now?

August 16, 2023

With you today



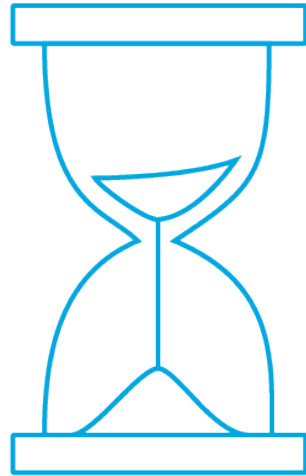
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- The impact of the Tax Cuts and Jobs Act on gift and estate tax planning
- Current planning opportunities and strategies
- Commonly used gift and trust strategies
- Proactive planning to ensure favorable outcomes

Learning objectives

By the end of this presentation, participants will be able to:

1. Understand how the Tax Cuts and Jobs Act impacts gift and estate tax planning.
2. Identify planning opportunities and strategies to take advantage of the current legislation and leverage RSM offerings.
3. Understand commonly used gift and trust techniques.



The impact of the Tax Cuts and Jobs Act on gift and estate tax planning



- Exemption sunsetting end of 2025
 - 2023 \$12,920,000 exemption per person
 - Unified: exemption amount is the same for gifting, estate, and generation-skipping transfer (GST) taxes
 - Indexed for inflation annually
 - January 1, 2026 the exemption will be cut in half
- No claw-back
- GST Exemption
 - Allows for assets to go to multiple future generations without additional estate inclusion (state situs determines allowed duration)
 - Not portable

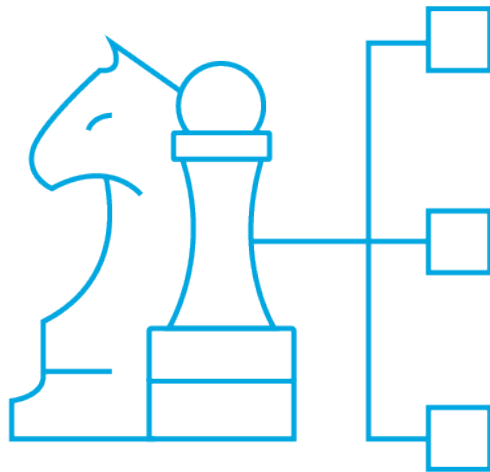


Current planning opportunities and strategies



- Gift strategic assets
- RSM's approach to estate planning

Commonly used gift and trust strategies



- Grantor trusts
 - Benefits
 - SLATs
 - IDGT sales
- Business interest discounting
- Retained control
 - Splitting voting and non-voting
 - Grantor control over voting
 - Amendments and dissolution in partnerships
 - Sell instead of gift
- Current case law
 - Sorensen
 - Smaldino

Proactive planning to ensure favorable outcomes



- Timely use of double exemption
 - Maximize GST
 - Ensure adequately disclosed for audit risk reduction
- Gifting
 - Annual exclusion and other tax-free transfers
 - Growth and other strategic assets
 - Keep out of estate with proper review of:
 - Grantor control and
 - Transfer type



QUESTIONS AND ANSWERS

THANK YOU FOR
YOUR TIME AND
ATTENTION



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