

Estate Planning

Fast Faxes

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Estate, Tax and Family Wealth Preservation Planning For Advisors

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Toward Zero Estate Taxes: The Eight Secrets



Happy
Holidays
From Us to You!

Several years before his death, publishing tycoon Malcolm Forbes created millions in estate tax-free wealth.

Members of the du Pont family ultimately saved themselves over half a billion dollars in estate taxes.

And retail entrepreneur Sam Walton involved his family in both his business and his finances, leaving his heirs among the nation's wealthiest people.

What these individuals had the foresight to do with their millions (what anyone has the ability to do, even with considerably less wealth) was to learn and understand how money can be diverted from the IRS and into the hands of the people and charities that are most important to them.

A lifetime of effort can be lost when an estate owner dies, not because he or she did anything wrong, but because he or she hasn't done anything at all!

The good news is that there is no moral, ethical or legal reason to leave the bulk of your wealth to any agency of the federal government.

The eight "secrets" of moving toward a zero estate tax are:

CCCCDEFG!

- (1) **Create** wealth that is not subject to federal (or state) death taxes.
- (2) **Divide** and conquer the tax system by *shifting* wealth and *splitting* income among family members at the earliest possible time

as often as possible.

(3) **Deduct!** Take all the deductions you are legally entitled to take.

(4) **Defer!** Delay the payment of income or estate taxes and gain what is in essence an "interest-free loan" from the IRS.

(5) **Discount!** Utilize "value dampening" techniques to pass wealth to your heirs at a far lower tax cost than possible through an outright transfer.

(6) **Eliminate!** To a great extent, the tax on wealth can be eliminated entirely through the judicious use of various tools or techniques – including one as simple as the annual gift tax exclusion or the unified credit.

(7) **Freeze:** the growth of wealth in your hands by shifting it to others before appreciation makes it an expensive item to transfer.

(8) **Gelt Trip!** Use "money value of time" techniques that recognize a dollar in the future is not worth as much as a dollar today and exploit that difference to enable wealth to be shifted for less gift tax cost than otherwise possible (Gelt="money" in Yiddish.)

The bottom line is, "Who are your intended heirs?" Whom do you want to inherit the bulk or all of your "lifetime of efforts," the people you

WATCH FOR FALLING TAXES

Looking for signs on the road toward a financially healthier you? Those who visit our office for estate planning have lowered their estate taxes by up to 100%. Lower taxes and a larger legacy for your family. Now that's a direction worth following.

Price & Farrington
AN ESTATE PLANNING LAW PRACTICE 425.451.3583

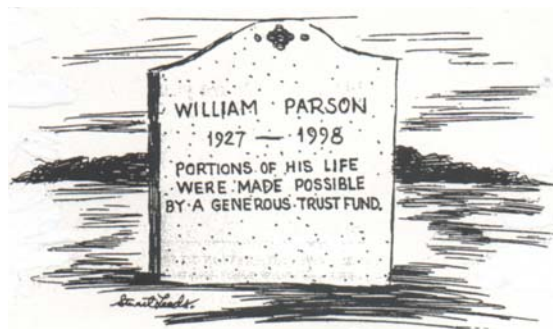
choose, the charities *you* love, or the IRS?

Of course, there is no "free lunch" in tax planning. No idea, tool, or technique is "perfect in every way." Every tax saving move has a cost or downside. It's vital that you consider the pros and cons – not only of the idea proposed – but also of the viable alternatives. *Please feel free to call to discuss how these powerful concepts can be used to benefit your clients and strengthen your relationships.*



- ☞ *If you would like a free copy of our four page article: "Toward Zero Estate Taxes", which elaborates on this month's lead article, or...*
- ☞ *If you and a group of your hand-picked clients or prospects would benefit from an eye-opening and informative PowerPoint presentation, "Toward a Zero Estate Tax", by one of our attorneys...*

Contact our office by phone or e-mail!



Log onto our Estate Planning Learning Center web site at:
www.estateplanning.com/pricefarr.

Quotes for December:

"It's not the pace of life that concerns me, it's the sudden stop at the end"

"Good health is merely the slowest possible rate at which one can die."

Comprehensive Estate Planning
Services are Provided by
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