

Price & Farrington's Estate and Tax Planning Fast Faxes July, 2001

Estate, Tax and Family Wealth Preservation Planning For Advisors

Price & Farrington

Attorneys and Counselors at Law
12501 Bellevue-Redmond Road, Suite 215
Bellevue, Washington 98005
425-451-3583
Email: pricefarr@aol.com

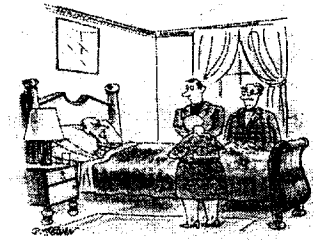
29 (And More) Non-Tax Reasons To Do Your Estate Planning: Avoiding Complacency After Estate Tax "Repeal"

What is a major problem resulting from President Bush's signing of the Economic Growth and Tax Relief Reconciliation Act on June 7, 2001? Just this: *it has lulled many people into a false sense of complacency about the need to do their estate planning.* With the Act's long-shot promise of estate tax repeal scheduled to occur in 2010, thousands of folks who mistakenly equate *estate planning* with *estate tax planning* have misguidedly decided that the need to plan their estate has suddenly disappeared.

Costly complacency. This complacency could prove to be extremely costly. Why? Critical issues *unrelated to estate tax planning* will continue to demand the attention of every estate. After all, your most important planning goal has never been just to avoid the confiscatory clutches of the IRS and estate taxes for its own sake. Bottom line, your goal has been to preserve the wealth you have worked so hard to accumulate so that it is available to meet truly significant family or charitable goals – as you define them – rather

than be diverted to Uncle Sam. **Check-list.** Review the following list of questions. Circle its number if the question relates to you but your current planning doesn't adequately address the issue. When you are through, count how many numbers you have circled.

1. Who should I name to *manage my affairs* if I am disabled or incapacitated?
2. Do I know what is involved if I become *disabled* and haven't planned?
3. Who should I name to make *health care decisions* if I can't make them?
4. Should I consider a *living trust*?
5. Are my insurance and retirement plan *beneficiary designations* coordinated with my estate plan?
6. Does the way I hold *title to my property* support or undermine my goals?
7. Should I structure my affairs to avoid *probate*?
8. Should I implement a *gifting* program for children or grandchildren?
9. Have I explored available *charitable giving* opportunities?
10. How can I protect the assets in my estate from *creditors* and *predators*?
11. What kind of *pre-nuptial planning* is important for me?
12. Should my plan incorporate *A/B trust planning* to achieve non-tax goals?
13. What issues should I address if my *surviving spouse remarries*?
14. What instructions should I leave behind in my *Living Will*?
15. Who should I nominate to *administer my estate* following my death?
16. Do I have plans in place to *streamline my estate administration*?
17. *Who* should receive my property?
18. *How* should they receive it?
19. Have I taken steps to minimize *family conflicts*?
20. Do I need to create a *special needs trust* for children or grandchildren?
21. Do I need to create a *parental support trust* for my aging parents?
22. How do I want to dispose of my *personal property*?
23. How can I best plan for my "*blended*"



"I always lived vicariously.
Why can't I die vicariously?"

family?

24. How can I *provide for my surviving spouse* and then direct where the assets go after his/her death?
25. What arrangements should I make for the *care of my pets*?
26. How can I most effectively use *life insurance* to:
 - Fund a business *buy-out*?
 - Equalize the shares of my beneficiaries?
 - Pay *income taxes* due on my IRA or qualified retirement plan?
 - Pay *capital gains taxes* on assets which will not qualify for a step-up in basis?
 - Finance *charitable giving*?
 - Create *additional wealth* to care for special needs of my beneficiaries?
27. How can my plan most effectively promote *my values*?
28. How can I best leave a meaningful *legacy* for my family or favorite causes?
29. And *on, and on, and on....*

An interesting exercise. And certainly an incomplete list of questions. If the number of questions you've circled leaves you uncomfortable, give us a call and we'll meet with you to help you address your all-important *non-tax* estate planning issues.

Until next time, we wish you good planning.

Glenn D. Price

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What is a little-known technique that offers the following benefits?

- You receive immediate income tax deductions.
- Your plan assets grow tax-free.
- Your plan provides retirement, disability and income-replacement-on-death benefits.
- Your plan assets are creditor-protected.
- Your plan benefits are fully guaranteed.
- You are permitted to make large plan contributions, even if you are retired or over age 70.
- Your plan can eliminate estate taxes on your IRA.

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Call us for a free report or to learn more about the
PFP Premier 412(i) Benefits Plan.