

qualify for the marital deduction. However, in PLR 200201021, the IRS found no gift was made upon contribution of TBE Assets.

CST A and CST B can be merged if there is no concern with estate tax, stepped-up basis, creditor protection, or credit shelter trust effectiveness. Q-TIP A and Q-TIP B can be merged if there is no concern with respect to stepped-up basis or credit protection effectiveness.

-Assets may receive a stepped-up basis on Husband's death & will receive a stepped-up basis on Wife's death - May not be protected from Wife's creditors unless moved to APT trust jurisdiction - If IRS argues that wife has gifted to trust the gift will be incomplete because of her power of appointment.