



And to Think That I Saw It on TAXBERRY STREET



By Alan Gassman and Brandon Ketron
agassman@gassmanpa.com
Brandon@gassmanpa.com



1245 Court Street Clearwater, FL 33756

*Nowhere on earth since the Cat in the Hat has
anyone experienced the 10% cap trap.*

*If you have Florida non-homestead property that has
gone up in value this year much.
Don't transfer it to anyone or anything before you've
been in touch.*

*With someone to advise you of consequences that
may be dire.
Because forfeiting the 10% assessment limitation
might cause a financial fire.*

*Under Florida's Constitution, the assessed value
cannot exceed more than 10% of the prior year's
assessed value, except as to School taxes (which may
be about 36% of the 2% or less property tax),*

*But a transfer in title to an LLC or otherwise creates
a loss of the Cap, that's a fact,
And if the property is commercial you can't even
transfer it to your spouse so don't be lax.*

The sun did not shine,

It was too wet to play.

So we started a webinar,

At 11 on Saturday.

So many friends,

So much to share.

Join us for this webinar,

But not while driving your car.



Please Note:

1. This presentation does not offer Continuing Education Credit
2. Approximately 3 hours after this event, all registrants will receive an email with the Recording, PowerPoint slides, and any handouts.



UPCOMING EVENT



To attend this event, please click on this link to register:

<https://www.accelvents.com/e/58th-annual-naepc-advanced-estate-planning-strategies-virtual-conference0>

58th Annual NAEPC Advanced Estate Planning Strategies Virtual Conference

November 2 - 4, 2021

General Information	Tuesday, November 2 nd	Wednesday, November 3 rd	Thursday, November 4 th						
<p>REGISTRATION The registration fee provides an "all access pass" so you can come and go as you please during the event and for 30 days following, choosing sessions that are most meaningful to you and your practice and visiting with sponsors and exhibitors at a time that is convenient for your schedule.</p> <table style="width: 100%; border: none;"> <tr> <td style="border: none;">AEP® Designee or EPLS Certificat</td> <td style="border: none;">Complimentary</td> </tr> <tr> <td style="border: none;">Member / Member of Council</td> <td style="border: none;">\$95</td> </tr> <tr> <td style="border: none;">Non-Member / Guest</td> <td style="border: none;">\$250</td> </tr> </table> <p style="text-align: center;">REGISTER HERE</p> <p>CONTINUING EDUCATION CREDIT Continuing education credit will be requested for Certified Financial Planner™ (CFP®) and Certified Trust and Fiduciary Advisor (CTFA) designees and will be available for Accredited Estate Planner® (AEP®) designees. Credit and certificates of completion will be available only to those who attend the LIVE VIRTUAL conference general sessions and complete attendance verification requests if prompted. In addition, a certificate of completion will be available for those who are able to self-file, attend the LIVE program, and complete attendance verification requests if prompted. Approval status will be communicated at www.naepc.org/conference approximately one month prior to the conference.</p> <p style="text-align: center;">See www.naepc.org/conference for more details, including continuing education credit and refunds.</p> <div style="text-align: center;"> <p>NAEPC NATIONAL ASSOCIATION OF ESTATE PLANNERS & COUNCILS <small>COLLABORATE • EDUCATE • CULTIVATE</small></p> </div>	AEP® Designee or EPLS Certificat	Complimentary	Member / Member of Council	\$95	Non-Member / Guest	\$250	<p>11:00 am Doors Open</p> <p>11:00 am-12:00 pm Networking & Exhibit Hall</p> <p>11:30 am-12:00 pm Exclusive Sponsor Bonus Session: Life Settlements & Policy Valuations <i>Jamie L. Mendelsohn & Jon B. Mendelsohn Ashar Group, LLC</i></p> <p>12:10 pm-12:20 pm Welcome</p> <p>12:20 pm-12:40 pm NAEPC Annual Meeting, Election & Presentation of Hartman Axley Lifetime Service Award to Natalie B. Choate, Esq., AEP® (Distinguished)</p> <p>12:50 pm-1:50 pm Recent Developments in Estate Planning (CE) <i>Samuel A. Donaldson, JD, LL.M., AEP® (Distinguished)</i></p> <p>1:50 pm-2:20 pm Networking & Exhibit Hall</p> <p>2:20 pm-3:20 pm The 203 Best & Worst Planning Ideas for Your Client's Retirement Benefits (CE) <i>Natalie B. Choate, Esq., AEP® (Distinguished)</i></p> <p>3:20 pm-3:50 pm Networking & Exhibit Hall</p> <p>3:50 pm-4:50 pm Just Like Starting Over – Decanting and Trust Modification (CE) <i>Amy K. Kanyuk, JD</i></p> <p>5:00 pm-5:05 pm Closing Remarks</p> <p>5:15 pm-5:45 pm Concurrent Sponsor Bonus Sessions</p> <p>5:15 pm-6:00 pm Networking & Exhibit Hall</p> <p>6:00 pm Doors & Exhibitors Close</p> <p>Tentative Sponsored Social</p>	<p>11:00 am Doors Open</p> <p>11:00 am-12:00 pm Networking & Exhibit Hall</p> <p>11:30 am-12:00 pm Concurrent Sponsor Bonus Sessions</p> <p>12:10 pm-12:20 pm Welcome</p> <p>12:20 pm-12:40 pm AEP® Designation from A - Z</p> <p>12:50 pm-1:50 pm Income Tax Reform Including the Impact on Estate Planning (CE) <i>Robert S. Keebler, CPA/PFS, MST, AEP® (Distinguished), CGMA®</i></p> <p>1:50 pm-2:20 pm Networking & Exhibit Hall</p> <p>2:20 pm-3:20 pm The Thief in your Family - Forensic Accounting (CE) <i>Tiffany R. Couch, CPA/CFF, CFE</i></p> <p>3:20 pm-3:50 pm Networking & Exhibit Hall</p> <p>3:50 pm-4:50 pm The New Normal for Charitable Tax Planning (CE) <i>Justin T. Miller, JD, LL.M. (taxation), CFP®, AEP®</i></p> <p>5:00 pm-5:05 pm Closing Remarks</p> <p>5:15 pm-5:45 pm Exclusive Sponsor Bonus Session</p> <p>5:15 pm-6:00 pm Networking & Exhibit Hall</p> <p>6:00 pm Doors & Exhibitors Close</p> <p>Tentative Sponsored Social</p> <p style="text-align: center;"><i>We are grateful for the support of our sponsors</i></p> <div style="display: flex; justify-content: space-around; align-items: center;"> </div>	<p>11:00 am Doors Open</p> <p>11:00 am-12:00 pm Networking & Exhibit Hall</p> <p>11:30 am-12:00 pm Concurrent Sponsor Bonus Sessions</p> <p>12:10 pm-12:20 pm Welcome</p> <p>12:20 pm-12:40 pm NAEPC Estate Planning Hall of Fame® Induction</p> <p>12:40 pm-1:40 pm Possible Estate and Income Tax Changes Affecting Estate Planning (CE) <i>Jonathan G. Blattmachr, Esq., AEP® (Distinguished)</i></p> <p>1:40 pm-2:10 pm Networking & Exhibit Hall</p> <p>2:10 pm-3:10 pm Review of the Past Year's Significant, Curious, or Downright Fascinating Fiduciary Cases (CE) <i>Dana G. Fitzsimons, Jr., JD</i></p> <p>3:10 pm-3:40 pm Networking & Exhibit Hall</p> <p>3:40 pm-4:40 pm Psychological Implications of Business Succession Planning (CE) <i>Stephan R. Leimberg, JD, AEP® (Distinguished)</i></p> <p>4:50 pm-4:55 pm Closing Remarks</p> <p>4:55 pm-5:30 pm Networking & Exhibit Hall</p> <p>5:30 pm Doors & Exhibitors Close</p>
AEP® Designee or EPLS Certificat	Complimentary								
Member / Member of Council	\$95								
Non-Member / Guest	\$250								

**Continuing education credit will be available only to those who attend LIVE.



agassman@gassmanpa.com
Brandon@gassmanpa.com

GASSMAN CROTTY DENICOLO, P.A.
ATTORNEYS AT LAW

And To Think That I Saw It On Taxberry Street!
Copyright © 2021 Gassman, Crotty & Denicolo, P.A.

UPCOMING EVENT



ESTATE PLANNING COUNCIL OF BIRMINGHAM, INC.

HOT TOPICS IN ESTATE TAX AND CREDITOR PROTECTION

Thursday, November 4, 2021

from 8:00 AM to 10:00 AM CT

Presented by:

Alan Gassman

agassman@gassmanpa.com



GASSMAN CROTTY DENICOLA, P.A.
ATTORNEYS AT LAW

1245 Court Street, Clearwater, FL 33756

CLICK [HERE](#) FOR MORE INFORMATION.



agassman@gassmanpa.com
Brandon@gassmanpa.com

GASSMAN CROTTY DENICOLA, P.A.
ATTORNEYS AT LAW

And To Think That I Saw It On Taxberry Street!
Copyright © 2021 Gassman, Crotty & Denicolo, P.A.

UPCOMING EVENT

Federal Tax Conference Virtual



FICPA
FEDERAL TAX
CONFERENCE
DECEMBER 9, 2021
Exclusively Online  CPE: Up to 8

Bringing D.C. to Your Doorstep



Estate Tax Planning Techniques

Time: Thursday 2:50pm - 3:40pm Credits: 1 TB

Alan Gassman, Attorney - Gassman, Crotty & Denicolo, P.A.

This presentation will cover both hot topics and important nuts and bolts that go into Estate Tax Planning for individuals and families who have significant wealth. The presentation will also cover planning for S Corporations, C Corporations, partnerships, and how creditor protection and probate avoidance can be coordinated with estate tax planning.

Presenters:

- Alan S Gassman, J.D., LL.M.

[**REGISTER HERE**](#)



agassman@gassmanpa.com
Brandon@gassmanpa.com

GASSMAN CROTTY DENICOLO, P.A.
ATTORNEYS AT LAW

And To Think That I Saw It On Taxberry Street!
Copyright © 2021 Gassman, Crotty & Denicolo, P.A

UPCOMING EVENT

23rd ANNUAL ESTATE, TAX, LEGAL & FINANCIAL PLANNING SEMINAR

Register For This All
Day Event!

February 10, 2022

Click [HERE](#) For
More Information.

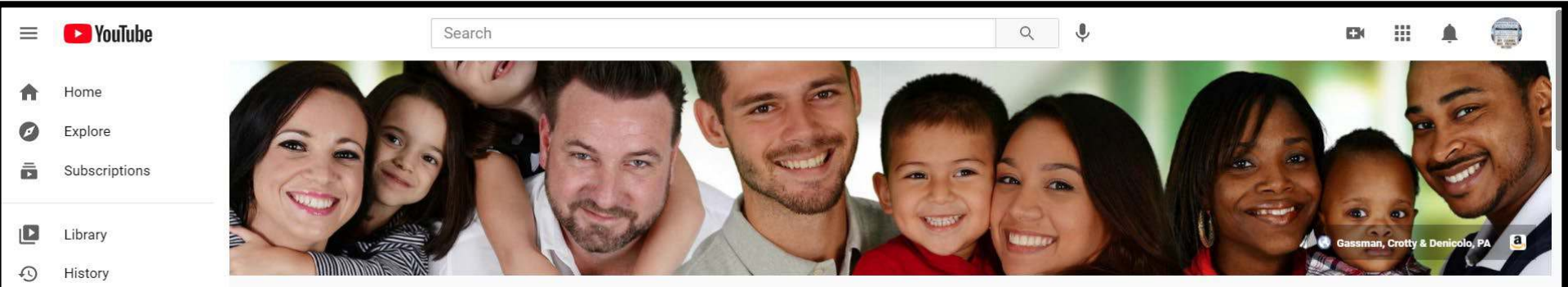
The screenshot shows the website for the 23rd Annual Estate, Tax, Legal & Financial Planning Seminar. The header features the event title in white text on a dark blue background, with the Johns Hopkins All Children's Hospital logo to the right. Below the header is a green bar with the text "Presenting Sponsor: NORTHERN TRUST" and the Northern Trust logo. A navigation menu includes "Information" (selected), "Register", "Home", "Speakers", "Sessions", "Schedule", "Sponsors", "Mission", and "Contact Us". Social media icons for Facebook and Twitter are visible in the top right corner. The main image is a photograph of the Johns Hopkins All Children's Hospital building, a large, modern, multi-story structure with a curved facade and a prominent blue sign in the foreground that reads "JOHNS HOPKINS All Children's Hospital".









agassman@gassmanpa.com
Brandon@gassmanpa.com

GASSMAN CROTTY DENICOLA, P.A.
ATTORNEYS AT LAW







And To Think That I Saw It On Taxberry Street!
Copyright © 2021 Gassman, Crotty & Denicolo, P.A.



Did you Miss a Webinar? Don't worry! Past Video Recordings are available in Alan Gassman's [YouTube Library](#).

 <p>Hard Questions and Interesting Answers for Estate Planners Presented by Alan Gassman 1:07:34</p>	 <p>More Mathematics of Estate Tax Planning Presented by Alan Gassman 1:21:48</p>	 <p>Special Update on Recent Developments and Hot Topics Presented by Alan Gassman 50:25</p>	 <p>Sandra D. Glazier Biography Interview with Sandra D. Glazier 17:37</p>	 <p>Asset Protection Meets Estate Tax Planning Presented by Alan Gassman 1:00:32</p>	 <p>LET'S TALK ABOUT TRUSTS Presented by Alan Gassman 1:05:17</p>
<p>Hard Questions and Interesting Answers for... Alan Gassman 142 views • 5 days ago</p>	<p>More Mathematics of Estate Tax Planning Alan Gassman 118 views • 1 week ago</p>	<p>Special Update on Recent Developments and Hot... Alan Gassman 258 views • 2 weeks ago</p>	<p>Sandra D. Glazier - Sample Client Letters Regarding... Alan Gassman 97 views • 2 weeks ago</p>	<p>Asset Protection Meets Estate Tax Planning Alan Gassman 196 views • 3 weeks ago</p>	<p>Let's Talk About Trusts - What You Didn't Know (Or... Alan Gassman 97 views • 3 weeks ago</p>

Charitable Planning ▶ [PLAY ALL](#)

 <p>Charitable Planning for the Business Owner Presented by Alan Gassman 1:03:29</p>	 <p>SPC, Charity & Me Presented by Alan Gassman 1:01:35</p>	 <p>SPC, Charity & Me A Survey of Charitable Gifting Vehicles Presented by Alan Gassman 56:13</p>	 <p>Private Foundations from A to Z How Private Foundations help Donors help Public Charities and Causes Presented by Alan Gassman 1:01:59</p>	 <p>Tax Smart Giving for UF Law Alumni (and others) Presented by Alan Gassman 1:04:30</p>	 <p>SPC, Charity & Me Presented by Alan Gassman 56:44</p>
<p>Charitable Planning for the Business Owner Alan Gassman 50 views • 23 hours ago</p>	<p>Life Insurance Planning, Including Term Life... Alan Gassman 43 views • 1 month ago</p>	<p>A Survey of Charitable Gifting Vehicles -... Alan Gassman 17 views • 1 month ago</p>	<p>Private Foundations from A to Z Alan Gassman 125 views • 2 months ago</p>	<p>Tax Smart Giving for UF Alumni. 20.04.2021 Alan Gassman 16 views • 3 months ago</p>	<p>New Charitable Contribution Tax Laws and Recent... Alan Gassman 98 views • 4 months ago</p>

THE THURSDAY REPORT

OUR FIRM'S NEWSLETTER

- Email info@gassmanpa.com to be added to our distribution list.
- CLICK [HERE](#) TO ACCESS THE REPORT BELOW.



Table of Contents

[Article 1](#)

What Part of Disregarded Did You Inadvertently Disregard?

Written By: Alan Gassman, Brandon Ketron & Grace Paul

[Article 2](#)

The 10% Cap Trap

Written By: Brock Exline

[Article 3](#)

How Your Estate Plan May Be Affected by Potential Changes to Income and Transfer Taxes under the House Ways and Means Committee Tax Proposal

Written By: Barry Nelson, Jennifer Okcular & Cassandra Nelson

[For Finkel's Followers](#)

Your Anxiety Is Real: How To Make Peace With Your Business

Written By: David Finkel

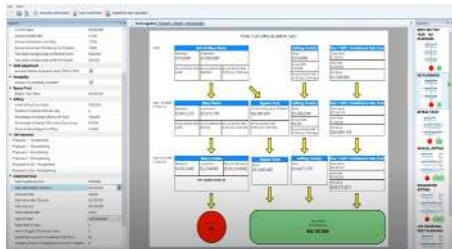
[Upcoming Events](#)



EstateView Software



Technology Probate



Technology—Probate provides information on current technology and microcomputer software of interest in the probate and estate planning areas. The editors of *Probate & Property* welcome information and suggestions from readers.

Effective tax planning requires a careful analysis of the financial and tax implications of various estate planning strategies. Without adequate tools, it is easy to get lost in the numbers. Estate planning calculation software can help attorneys create, compare, and understand the tax and financial implications of various estate planning scenarios. Perhaps more importantly, this software can help attorneys accurately and efficiently illustrate various financial and estate planning strategies to clients, turning esoteric planning concepts into concrete economic decisions.

There are several programs designed to help attorneys and financial planners accurately and efficiently crunch the numbers for their clients. This article reviews a handful of the more popular solutions in today's market.

EstateView Software

EstateView Planning Software is a new entrant into the estate planning and calculation software field. EstateView's most striking feature is its elegant user interface. The software uses a multi-window design that incorporates a modern feel and strikes the right balance between user-friendliness and advanced customization options. Beginning users can jump right in and start using the software right out of the box. More advanced users have a wide range of customization options, including the ability to unlock, hide, or reposition displays to match their personal preferences.

The user experience is further enhanced by simultaneous data updates across multiple screens. As the user enters information and tries out various scenarios, the relevant displays are instantly updated to show the results of the changing assumptions. This makes it easy for the user to make the necessary adjustments to achieve the desired results.

EstateView has preset scenarios to help design and illustrate the most common estate planning options. Baseline scenarios for a married couple include:

- no planning (which can be configured with or without portability),
- use of a credit shelter trust,
- use of a credit shelter trust with annual gifting,
- use of a credit shelter trust with discounted annual gifting,

- combination of a credit shelter trust, discounted annual gifting, and one or more irrevocable life insurance trusts, and
- installment sale to a defective grantor trust using a conventional or self-canceling installment note (with the ability to toggle grantor trust status in a given year).

These scenarios allow the user to illustrate most-often-used estate planning strategies with ease. Changing any of these scenarios will change the current illustration, which remains open throughout the entire process. This provides instant feedback without having to toggle between different screens.

EstateView makes it easy to generate a customized client letter to explain estate planning scenarios to clients. Once all information is entered, the user can generate a client explanation letter that uses color illustrations to explain the estate planning techniques involved. This letter can be saved as a Microsoft Word document and modified as necessary before presentation to the client. If the estate planning assumptions are changed at a later time, a new letter can be easily produced to illustrate the new scenario.

EstateView is still in the beta testing phase and is currently free for use by interested planners. Interested professionals can e-mail estateview@gassmanpa.com and receive a link to download a free 180-day trial version of the software. ■

Technology—Probate Editor: Jason E. Havens, Holland & Knight, 50 North Laura Street, Suite 3900, Jacksonville FL 32202, jason.havens@hklaw.com.
Guest Editor: Jeramie J. Fortenberry, P.O. Box 3479, Gulfport, MS 39505, [jeramie.fortenberry@wealthcounsel.com](mailto:fortenberry@wealthcounsel.com)

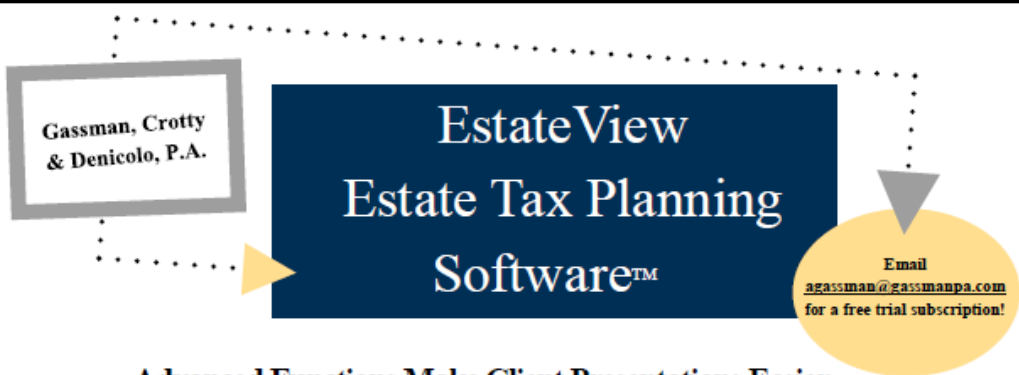
EstateView Software

**** Windows PC
Compatible ONLY**

To watch an informative overview of this software, click [HERE](#).

One Year Subscription to EstateView Estate Planning Software Offered Exclusively for **\$79.95**

To purchase a one year subscription, click [HERE](#) for a secure checkout.



Advanced Functions Make Client Presentations Easier

- * **Dashboard Dial**—EstateView’s bar graph feature allows you to change values in real time to show speculations, explain inflation and its effect on their situation, and determine whether or not portability should be used.
- * **Illustrations**—You can instantly switch between Trust Logistics & Dashboard illustrations while changing settings or when stationary. Seven screens change simultaneously with each change of data. Dial to where you want the illustration to go.
- * **Screenshot**—EstateView allows you to save screenshots and client data directly to your computer. These are printable and show your clients the many options available to them. You can name each one as you save them.
- * **Explanations**—EstateView provides easy-to-understand written explanations that are number & fact specific. As you explain each situation to your client, refer to the software for easy demonstration.
- * **Generate Client Letters**—Once you have selected appropriate variables, you can click the “Generate Client Letter” button. A client explanation letter describing a no planning scenario, a credit shelter trust scenario, a credit shelter trust with annual gifting scenario, and a credit shelter trust with annual discounted gifting scenario will be automatically issued. You can further customize this letter or present it to the client.
- * **Life Insurance**—Allows illustration under Irrevocable Trusts, as estate taxable, input of fluctuating premiums and death benefits or stable premiums, and death benefits for each spouse and separately for second-to-die.
- * **Installment Sales to DGT’s and SCIN’s**—Illustrates installment sales with and without self-cancelling installment notes and toggling off grantor trust status as designed by Professor Jerry Hesch.

ESTATEVIEW DOES EXACTLY WHAT YOU NEED!
EstateView software will make your job easier. It allows you to input your client’s data, including their financial assets and life insurances. The program then creates an illustration in 2 different formats showing the client’s projected estate tax liability, the value of the estate and the amount of estate tax based upon growth rates, CPI, credit shelter trust funding, gifting, life insurance and installment sale scenarios.

Copyright © 2016 Gassman, Crotty & Denicolo, P.A.



Tiger Tables



PURCHASE ONLINE NOW

See a Tiger Tables Demo

Want to see a Tiger Tables demo? Fill out the form below and then download the demo. It works exactly like the full version of Tiger Tables, except that it will only accept a 10% section 7520 rate.

Name

First

Last

Email

Company

Street Address

Suite

City

State

Please select ▼

Zip Code

Submit

About the Author



Larry Katzenstein

Tiger Tables author Lawrence P. Katzenstein, a nationally-known authority on estate planning and charitable giving, is available for consultation on an hourly rate basis.

Katzenstein received his undergraduate degree in 1969 from Washington University in St. Louis and his law degree in 1972 from Harvard Law School. He is a partner at St. Louis law firm [Thompson Coburn LLP](#) and an adjunct professor at the Washington University School of Law where he has taught both estate and gift taxation and fiduciary income tax, a former chair of the American Bar Association Tax Section Fiduciary Income Tax Committee, current chair of Tax Section charitable planning subcommittees and is a fellow of the

American College of Trust and Estate Counsel.

Mr. Katzenstein practices extensively in the estate planning and charitable giving areas, and represents many planned giving programs. He is a frequent author and lecturer on estate planning and charitable giving topics, and chairs the American Bar Association-American Law Institute annual program on charitable giving techniques. He appears annually on several American Bar Association-American Law Institute estate planning programs, and has spoken at many other national tax institutes, including the Notre Dame Tax Institute, the New York University Tax Institute, the University of Miami Philip E. Heckerling Institute on Estate Planning, the Southern Federal Tax Institute, and the Southern California Tax and Estate Planning Forum.

His Tiger Tables actuarial software is used widely around the country by both practitioners and the Internal Revenue Service. Mr. Katzenstein is listed by Best Lawyers in America in the trusts and estates category, which also recently designated him "St. Louis Best Lawyers Trusts and Estates Lawyer of the Year."

Mr. Katzenstein is married and has one daughter. You can reach him at:

lkatzenstein@thompsoncoburn.com.

Direct Dial: (314) 552-6187

Cell: (314) 602-6187



INTRODUCTION

The good news is that only a few of the new rules would impact transactions or transfers that are made before the new Act would be passed.

- Many of the provisions would not take effect until January 1, 2022.
- Those who are being advised to transfer significant values to irrevocable trusts as gifts before their exemption amounts are cut in half **must act by the day that the law is enacted**, or
 - ✓ Must alternatively plan to gift the amounts to people or entities other than grantor trusts, if they do this after the date of enactment, and before year end, based upon how the bill was written.



INTRODUCTION

The following slides are a section by section breakdown of major changes and effective dates, and thoughts relating to what to do and what not to do while we wait to see what changes are made to the Bill, and if any substantial bill will be passed this year.

- All of this is subject to change as the Senate gets involved, but we should not see anything more severe or taxpayer unfriendly than what these rules are, and it could be a lot worse.
- **Tops on the list of action items for most wealthy American families is to get their houses into order in preparation for increased federal estate taxes.**
- After months of being teased with the prospect of a lower estate tax exemption, and the possibility that the exemption would come down before there was time to make large gifts, the reality of what is proposed must now sink in for a few days, and then action may need to be taken.



Estate/Gift Tax Exemption Cut in Half Effective January 1, 2022

The present estate and gift tax exemption of \$10,000,000 as adjusted for inflation (presently \$11,700,000 per person) will be intact through the end of 2021, but will be reduced to one half of the present amount effective January 1st, 2022.

- This means that the “use it or lose it” gifting decisions for wealthy individuals can be made up through the end of this year, but most well advised wealthy families will be better off making such gifts before such legislation is passed, because of the Grantor Trust and discount rules described on the following slides.



MRS. JONES EXAMPLE



As an example for a person who will not use a Grantor Trust or discounts, Mrs. Jones has used \$700,000 of her estate and gift tax exemption from prior gifting, and therefore has an \$11,000,000 exemption remaining that she may wish to use prior to the end of the year.

- If she has a **\$21,000,000 estate** and makes an **\$11,000,000 gift**, this will reduce her estate to **\$10,000,000**.
- If Mrs. Jones then dies in 2022, or thereafter, she would have no exemption remaining, and the estate tax will be **\$4,000,000** ($\$10,000,000 \times 40\% = \$4,000,000$).
- If Mrs. Jones makes no gift and dies in 2022 she might only have **\$5,300,000** of exemption remaining ($\$6,000,000$ less $\$700,000$ in prior gifts = $\$5,300,000$). Resulting in an estate tax of **\$6,280,000** ($\$15,700,000 \times 40\% = \$6,280,000$).
- **\$2,280,000** of estate taxes are saved by using the increased exemption amount.



MRS. JONES EXAMPLE (Cont.)



- What if **Mrs. Jones** does not make the gift but is on her death bed on December 31, 2021 hoping for a miraculous recovery and a few more years in the very nice retirement home where she lives.
- Would you want her children or best friend to make her health care decisions at that time? One day of life could cost \$2,280,000.
- It is also important to note that there will be no “clawback” for use of the increased exclusion amount, meaning that **Mrs. Jones** will not be penalized for gifting \$11,000,000 of assets if she passes away at a time when the applicable exclusion amount is \$6,000,000.



MRS. JONES EXAMPLE (Cont.)



- Another factor to consider is that in order to use the temporary increased exemption, gifts must exceed what the exemption will be reduced to.
- For Example:

If **Mrs. Jones** were to gift \$5,000,000 in 2021 when the applicable exclusion amount is \$11,700,000 and then passes away in 2022, or thereafter, when the applicable exclusion amount is only \$6,000,000, **Mrs. Jones's** applicable exclusion amount would only be \$1,000,000.

Therefore, in order to take full advantage of the increased exemption, **Mrs. Jones** will need to gift all \$11,000,000 of her remaining exclusion.

The fact that families will have until the end of this year to make large gifts if the law passes is the **good** news.

The loss of very important vehicles that we commonly used for gifting and estate tax planning is the **bad** news.



What Is the Big Deal About Grantor Trusts?

- A Grantor Trust is a trust that can be separate and apart from the Grantor and contributor of the trust for estate tax purposes, but be considered as owned by the Grantor for income tax purposes.
- Since the Grantor is considered as the owner of the trust for income tax purposes, transactions between the trusts and the grantor are “disregarded” meaning that assets can be sold or exchanged with the trusts without triggering any income tax consequences.
- The vast majority of well positioned wealthy clients who have engaged in planning have established these trusts, which allow the Grantor to pay the income tax on the trust assets on behalf of the beneficiaries, and also allow the Grantor to sell assets that may qualify for a discount, such as non-voting LLC interests for long term low interest notes without paying any income taxes on the sale.
- The numbers can be very advantageous where instead of owning a valuable asset that may have income and growth at 7% or more the client has a note bearing interest at 2% that will not grow in value. Not only that, but the Grantor can continue to pay the income taxes associated with the Trust’s assets without the payment of income taxes being considered a gift to the trust, which allows the trust to grow income tax free and further reduce the Grantor’s estate.



What Is the Big Deal About Grantor Trusts? (Cont.)

- In the above example, **Mrs. Jones** could put \$14,000,000 of investments in an LLC and gift the 99% non-voting membership interest in the LLC to a Grantor Trust for her descendants. Due to discounts associated with a non-controlling, non-marketable interest in the LLC allowed under present law, this might result in an \$11,200,000 gift (assuming a 20% discount applies).
- **Mrs. Jones** can pay the income tax on the income from the investments for her remaining lifetime, which will further reduce estate taxes for her family upon death, but only if she acts before the date of enactment of the new bill.

Fortunately, Grantor Trusts established and funded before the enactment of the new law would be grandfathered, as would promissory notes in place at the time of enactment, so a great many estate tax planners expect to be very busy completing trusts and sale arrangements that are in progress now, and uncertain how many more they have the capacity to handle given the short time frame Congress is providing us with here.



What Is the Big Deal About Grantor Trusts? (Cont.)

Grantor Trusts that are created after the act would result in the following:

1. Estate tax inclusion on death
2. Distributions from a grantor trust will be a deemed gift.
3. The conversion of a grantor trust to a non-grantor trust is considered a gift of the entire trust.
4. Sale transactions will not be disregarded.
5. If a “grandfathered” grantor trust is contributed to following the passage of the Act, then pro rata inclusion would result. For example, if the “grandfathered” trust has \$9,000,000 of assets and an additional \$1,000,000 of assets are gifted to the trust following the enactment of the Act, then 10% of the “grandfathered” grantor trust would be included in the estate of the grantor.

It remains to be seen how this will impact Life Insurance Trusts that are funded with annual exclusion gifts using *Crummey* withdrawal powers.



Discounts and Other Estate Planning Tools May Also Be Impacted

- The new bill would not only stop the use of Grantor Trusts, but it would also eliminate discounts unless the asset gifted or sold is an “active trade or business”.
- The new bill may also stop planners from being able to use Irrevocable Life Insurance Trusts, at least to some degree, and also
 - **Grantor Retained Annuity Trusts (GRATs)**
 - **Qualified Personal Residence Trusts (QPRTs)**
 - **Grantor Charitable Lead Annuity Trusts (CLATs)**
- What we do not know is whether the anti-Grantor Trust provisions would prevent or significantly hinder the use of other types of trusts that are specifically permitted under the Internal Revenue Code, but may have different and completely ineffective tax results if established or funded after the date that the bill is enacted.



Possible Impact on the Use of a Qualified Personal Residence Trust (QPRT)



- A Qualified Personal Residence Trust (QPRT):
 - **allows a homeowner to transfer his or her homestead or a vacation property into a Trust that permits the Grantor to make use of the property at no rent charge for a term of years, and considers the gift of the ownership interest in the home to be less than the full value of the home because of the discount attributable to the present value of the free use possessory term.**
- After the death of the Grantor, the entire value of the property held under the Trust escapes estate tax, and the Grantor will pay rent after the possessory term of years expires, which further reduces the Grantor's estate, and enables the Grantor to continue to use the property.
- The QPRT can be drafted to be disregarded for income tax purposes, both during and after the possessory term, so that rent paid for use is not taxable to the Trust, and the property is considered to be owned by the taxpayer in the event of sale, to qualify for the \$250,000 or \$500,000 exclusion for the sale of a primary residence.
- If the new proposed Act is read literally, then QPRTs that are entered into and funded by deed before the date of enactment will be grandfathered to receive the above benefits, but those that are executed and funded by deed after the date of enactment will cause the property to be considered to have been gifted in full when the trust is established, and then possibly again after the Grantor dies and the property is transferred to the beneficiaries, with a credit to be received for the initial transfer when the second transfer occurs.



What About Grantor Retained Annuity Trusts (GRATs)?



- A Grantor Retained Annuity Trust (“GRAT”):
 - **is an arrangement whereby an individual can transfer property to a trust which provides for payments back to the individual over a term of years in fixed dollar amounts that are sufficient to cause there to be no gift for gift tax purposes.**
- Nevertheless, if the assets in the GRAT grow in value above approximately 1.0% a year, based upon present rates for GRATs entered into this year, the excess value remaining after the term of years can pass estate and gift tax-free.
- A GRAT is considered to be a Grantor Trust during the time that the Grantor receives annual payments, and can be considered to be a Grantor Trust thereafter, if drafted to facilitate that.
- Under the new rules, the funding of a GRAT after the date that this law would be enacted could cause income tax on the excess of the fair market value of the assets placed into the GRAT over the tax basis of such assets, and the excess value remaining after the GRAT term may be considered a gift when distributed, notwithstanding that Internal Revenue Code Section 2702 provides under present law that no gift results when the actuarial value of the annual payments made to the Grantor equals the value of assets placed into the Trust.



Charitable Lead Annuity Trusts (CLATs)

- A Charitable Lead Annuity Trust (“CLAT”):
 - works in a way very similar to a GRAT, except that the fixed annual payments will go to a charity, with what remains after the term of years that payments are made to pass to family members without being considered to be a gift.
- A Grantor CLAT is:
 - a CLAT that is drafted to be disregarded for income tax purposes, and therefore Grantor CLATs that are funded after the date of enactment may trigger income tax on the excess of the fair market value of the assets placed in the GRAT over the income tax basis, with the remainder interest passing to descendants being subject to federal gift tax when the payments to charity end.

The above discussion of QPRTs, GRATs and CLATs may not be accurate or what the Ways and Means Committee is intending, and guidance with respect to this will probably be forthcoming in any legislation that would pass, or before or immediately after passage, but individuals and families who are considering the use of QPRTs, GRATs or CLATs should proceed without delay.

While the loss of Grantor Trusts and discounting, not to mention Qualified Personal Residence Trusts, Grantor Retained Annuity Trusts and Charitable Lead Annuity Trusts would be formidable, other techniques will continue to exist.



Is There Any Good News?



We were pleased to see no mention of a number of things that had been tossed around by lawmakers, including the following:

1. No “capital gains tax on death” was included, or any rule that would detrimentally affect the present tax laws that permit the assets of a deceased individual to be considered to have been purchased for the fair market value thereof on the person’s date of death to eliminate capital gains taxes attributable to appreciation and depreciation taken up through the date of death.
2. Proposals that would have taxed placing appreciated assets into separately taxed trusts, or transferring appreciated assets out of separately taxed trusts are also thankfully not mentioned.
3. Proposals which would have reduced the amount of annual gifts that an individual or married couple could have made to irrevocable trusts or otherwise were not included.



Is There Any Good News? (Cont.)



We were pleased to see no mention of a number of things that had been tossed around by lawmakers, including the following:

4. Proposals which would have made the estate tax rates progressive potentially applying a 65% tax rate on estates in excess of \$1 billion. Thankfully under the current proposal the estate tax remains at a flat rate of 40%.
5. Proposals to decrease lifetime gifting allowance to as low as \$1,000,000. Under the current proposal the estate and gift tax exemption remains the same, although reduced to one-half of what would have otherwise applied.
6. Specific provisions that would eliminate a step up in basis for assets held by a Grantor Trust. While it is unclear under present law if a step up in basis applies to assets held by Grantor Trusts, many practitioners take the position that a step up in basis does apply since the grantor is considered to be the owner of the assets for income tax purposes.
7. Proposals to apply generation skipping taxes via a deemed termination of Generation Skipping dynasty trusts every 50 years.



Income Tax Rate Increases and Rate Bracket Adjustments

One of the most discussed propositions is the increase in income tax rates, bringing individual tax rates to 39.6% for ordinary income.



This new rate applies to:

- Married individuals who file jointly with taxable income over \$450,000
- Heads of household with taxable income over \$425,000
- Unmarried individuals with taxable income over \$400,000
- Married individuals filing separate returns with taxable income over \$225,000
- Trusts and estates with taxable income over \$12,500, as adjusted for inflation in future tax years



Income Tax Rate Increases and Rate Bracket Adjustments (Cont.)

In addition to the tax rate increases, the rate brackets will also be adjusted and those on the upper end of the 32% and 35% rate brackets may see a tax rate increase as a result.

A year by year comparison of the rate brackets is as follows:

Married Filing Jointly			
2021		2022	
Tax Rate	Taxable Income	Tax Rate	Taxable Income
10%	\$0 - \$19,900	10%	NO CHANGE
12%	\$19,901 - \$81,050	12%	
22%	\$81,051 - \$172,750	22%	
24%	\$172,751 - \$329,850	24%	
32%	\$329,851 - \$418,850	32%	\$329,851 - \$400,000
35%	\$418,851 - \$628,300	35%	\$400,001 - \$450,000
37%	\$628,301+	39.6%	\$450,001+



Income Tax Rate Increases and Rate Bracket Adjustments (Cont.)

In addition to the tax rate increases, the rate brackets will also be adjusted and those on the upper end of the 32% and 35% rate brackets may see a tax rate increase as a result.

A year by year comparison of the rate brackets is as follows:

Single Filers			
2021		2022	
Tax Rate	Taxable Income	Tax Rate	Taxable Income
10%	\$0 - \$9,950	10%	NO CHANGE
12%	\$9,951 - \$40,525	12%	
22%	\$40,526 - \$86,375	22%	
24%	\$86,376 - \$164,925	24%	
32%	\$164,926 - \$209,425	32%	\$164,926 - \$200,000
35%	\$209,426 - \$523,600	35%	\$200,001 - \$400,000
37%	\$523,601+	39.6%	\$400,001+



Income Tax Rate Increases and Rate Bracket Adjustments (Cont.)

These increases will only apply to taxable years beginning after December 31, 2021 so earn as much as you can while you can at our present historically low rates:

- Keeping in mind that you may also pay much more in income taxes because of the limitations on the 20% Section 199A Qualified Business deduction, a 3% surcharge on ultra-high earners, and the 3.8% Net Investment Income Tax that will now apply to active business income for high earners
- Put together, these changes will have a profound impact on high earners and the motivation to keep on earning
- An ultra-high earner subject to the surcharge could end up with a tax rate of 46.4%
- Add that to a 13% state income tax for a California resident and the tax rate is close to 60%



25% Capital Gain Rate

The maximum capital gains are taxed would also increase, from 20% to 25%.

- This new rate will be effective for sales that occur **on or after Sept. 13, 2021**, and will also apply to Qualified Dividends
- The present rate of 20% will continue to apply to any gains and losses incurred prior to September 13, 2021, as well as any gains that originate from transactions entered into under binding written contracts prior to September 13, 2021
- Gains from sales before September 13, 2021 that are reported under the installment method, even if received after September 13, 2021, will still be taxed at the 20% rate when received in the later part of 2021 and in future years as long as the sale took place before September 13, 2021 or the sale takes place on or after September 13, 2021 and was pursuant to a binding written contract that was entered into prior to September 13, 2021



Expansion of the 3.8% Net Investment Income Tax

- The 3.8% Net Investment Income Tax under Internal Revenue Code Section 1411 would be changed to expand the definition of net investment income to include any income derive in the ordinary course of business for single filers with greater than \$400,000 in taxable income (\$500,000 for joint filers) effective January 1, 2022.
- Under current law, the 3.8% tax generally only applies to passive investment income (interest, dividends, gain on the sale of stock, etc.)



Expansion of the 3.8% Net Investment Income Tax (Cont.)

- The Net Investment Income Tax applies to trusts and estates beginning at \$13,050 of income in 2021 and that threshold will be slightly higher each year.
- Most trusts and estates that have ownership of profitable businesses or ownership interests in profitable entities taxed as partnerships will be subject to the 3.8% tax unless the income received is paid out to beneficiaries, in which event the beneficiaries will be subject to tax as if they received it.
- S corporation income received by a trust that has made what is called an ESBT (“Electing Small Business Trust”) election are taxed at the highest bracket on K-1 income from the S corporation regardless of whether it is distributed and will also be subject to the 3.8% Net Investment Income Tax.
- Many trusts may sell S corporation ownership interests to beneficiaries who are in lower brackets.
- Consider delaying S-Corp Elections for new entities until filing deadline (75 days).



A New 3% Surcharge on High Income Individuals, Trusts and Estates

Effective January 1, 2022 a 3% tax will apply on individual taxpayers to the extent that they have Adjusted Gross Income (“AGI”) in excess of \$5,000,000 (\$2,500,000 if married filing separately), and on trust and estate income in excess of \$100,000 per trust or estate.

- Since this tax applies to AGI in excess of the applicable threshold, AGI includes ordinary and capital gains, and is not reduced by charitable deductions (or any other itemized deduction).
- The time when this would likely apply to most taxpayers is when a business, or other large asset, is sold for a large gain.
- Savvy planners may consider selling to a related party under the installment method to spread out the gain over multiple tax years, although this would have to be done more than two years prior to the liquidation event to avoid acceleration of the gain when sold to a third party.
- Planners might also consider transferring interests that may be sold to a charitable remainder trust which can be used to spread income out over a number of years in order to avoid AGI in excess of the threshold.



A New 3% Surcharge on High Income Individuals, Trusts and Estates (Cont.)

- This is a much bigger issue for trusts because the tax would apply to trust income in excess of \$100,000, which will make distributions of Distributable Net Income (DNI) to reduce a trust's remaining taxable income even more important.

In overly simplified terms, when a trust makes a distribution of income to a beneficiary, the beneficiary will pay the tax on such income, and the trust will receive a deduction to reduce its taxable income. Fortunately, the 3% tax will only apply to the extent that income in excess of \$100,000 remains in the trust after taking into account distributions made to the beneficiaries.

- Drafters of trust documents should take a close look at the applicable Principal and Income Act of the situs of the trust to confirm whether capital gains are treated as principal (and thus not distributable) or income.
- Most states permit trust documents to specify that a fiduciary will have the power to treat capital gains as income that can be distributed to beneficiaries and escape the additional 3% tax, distributed to its beneficiaries.



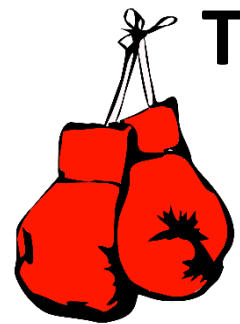
Small Businesses Will Pay More Taxes In 2022



- The bill would also change the 21% flat corporate income tax on ‘C Corporations’ to an 18% tax on the company’s net income of up to \$400,000, a 21% tax on net income up to \$5,000,000, and a 26% tax on net income in excess of \$5,000,000. This is still much lower than what the corporate tax rates were before the 2017 tax cuts, and many S corporations will be converted to C corporations if this Act passes, especially given the 3.8% Medicare tax that would be imposed on S corporation flow through income for high earners.
- High income individuals who claim the 20% 199A deduction for qualified business income deductions will be disappointed to learn about the proposed maximum deduction of \$500,000 for joint returns, \$400,000 for individual returns, \$250,000 for a married individual filing a separate return, and \$10,000 for a trust or estate. This is in addition to the permanent removal of excess business losses for non-corporate taxpayers.

All of the aforementioned business tax changes will be effective after December 31, 2021.





The IRS vs. Over \$10,000,000 IRA / Pension Holders

In an effort to combat the hoarding of assets in massive IRA accounts, those who hold Roth and traditional IRA and retirement plan accounts with a combined balance that exceeds \$10 million as of the end of a taxable year may not make further contributions if the account holder has taxable income over \$400,000, or married taxpayers filing jointly with taxable income over \$450,000.

- These large account holders will be required to make a minimum distribution equal to “50% of the amount by which the individual’s prior year aggregate tradition IRA, Roth IRA, and defined contribution account balance exceeds the \$10 million limit”. Even more extreme treatment will apply to those who have over \$20,000,000 in combined accounts.

A loophole that allowed indirect funding of Roth IRAs by the “backdoor Roth” technique could be eliminated for high earners.



What About Charity?



- Charitable gifting does not seem to be impacted, except for what we call Grantor Charitable Lead Annuity Trusts, and with higher income tax brackets charities may receive more in donations, which would be good for charitable causes and those who work for charities.
- It may be time to set up the family foundation you have been considering and get it funded if you will be a high earner next year.
- The use of Charitable Remainder Trusts will be more popular to spread large gains over multiple tax years in order to avoid crossing applicable income thresholds.
- Some of the new provisions are applied based on Adjusted Gross Income (“AGI”) thresholds, and since AGI is determined prior to deductions for charitable contributions (or any other itemized deduction) large charitable donations will not prevent taxpayers from being subject to some of the new taxes on high earners.



Miscellaneous Changes

Other changes proposed changes in the bill that are noteworthy include the following:

1. The 100% gain exclusion on the sale of Section 1202 Qualified Small Business Stock will be limited to 50% of the gain for taxpayers with AGI exceeding \$400,000 unless a binding contract was entered into prior to September 13th, 2021. (see slides that follow on 1202 basics)
2. Crypto currencies (Bitcoin, Ethereum, DOGEcoin, etc.) will be subject to the constructive and wash sale rules as of January 1, 2022, so if your crypto currency went “to the moon” and you want to lock in an offsetting position without triggering gain do so before the end of the year.

You now have until the end of the year to sell your coins to harvest the loss and immediately buy back in, You would be in the same position economically, but with the added benefit of being able to recognize the loss and offset other passive income. This type of planning is prevented for most, if not all, other marketable securities, but somehow crypto currencies have managed to stay under the radar, until now.

3. IRAs can no long invest in entities in which the IRA owner has a 10% or greater ownership interest (this is presently 50%), or if the IRA owner is an officer. This will also be considered an IRA requirement rather than a prohibited transaction, which means that if the IRA invests even a small part of its holdings in such a business the entire IRA will be disqualified resulting in loss of creditor protection status and having taxes apply as if the IRA was liquidated. There is a proposed two year transition period of IRA’s currently invested in these types of investments.



Miscellaneous Changes (Cont.)

4. The IRS will receive approximately \$80,000,000,000 to enforce the tax law and presumably audit many more taxpayers and bring in much more in tax revenues.
5. The employer tax credit for wages paid to employees during family and medical leave will expire in 2023 (2025 under present law).
6. S-Corporations, that elected S-Corp status prior to May 13, 1996, will be permitted to convert tax free to a partnership any time in the two years following passage of the act. Under present law this would result in deemed taxable sale of all of the assets of the S-Corporation at the time of conversion, so this will be a very good opportunity for many taxpayers.

An S corporation can generally convert tax-free into a C corporation, but C corporations are not as flexible with respect to the distribution and allocation of income as an entity taxed as a partnership.

This will be attractive for S corporation owners who wish to have greater flexibility and do not expect that the ability to have significant income excluded from the Net Investment Income Tax will come back any time soon.

7. There are many changes to international taxation that are better left to the international tax experts to explain.
8. Those who deal with tax-related stress by smoking tobacco products will be sad to hear of the proposed doubling of the excise taxes on cigarettes, small cigars, and roll-your-own tobacco, in addition to several other new imposed nicotine taxes not covered by this article.



Summary of Tax Rate Changes

	Current	Proposed	Effective Date
Top Individual Income Tax Rate	37%	39.6%	January 1, 2022
Corporate Tax Rate	21% flat rate	18% on the first \$400,000, 21% on income up to \$5 million, and a rate of 26.5% on income in excess of \$10,000,000	January 1, 2022
Capital Gains Tax	20%	25%	Effective immediately for transactions originating after September 13, 2021.
Modified Adjusted Gross Income Tax	N/A	Includes investment income derived in the ordinary course of a trade or business.	January 1, 2022
Grantor Trusts	Typically not included in grantor's estate, transfers not subject to sales tax	Included in "deemed owner's" estate and sales are subject to tax.	Only future trusts and future transfers.
Roth IRA's	IRA contributions are irrespective of account balance.	High income earners prohibited from contributing past \$10 million.	January 1, 2022



Planning to Plan



Here are some examples of planning moves that may be considered at this time:

1. **If you have an estate plan in progress get it done as soon as possible.**
2. **Charitable individuals who are over age 59-1/2 with large IRA's may wish to consider withdrawing monies from their IRAs and giving those monies to charity, as IRA distribution rules are changed for the worse, and to receive a dollar-for-dollar charitable deduction that is permitted this year, and may not be allowed in the future. Until 2020, only taxpayers over age 70-1/2 can transfer IRA monies to charity on a tax-free basis, and were limited to \$100,000 per year.**
3. **Accelerating income into 2021 - Quite likely, 2021 tax rates will be much lower than 2022, and this will hopefully apply to the entire tax year.**

That being the case, cash method taxpayers may accelerate income by transferring accounts receivable in late December, so that they become taxable, and may wish to defer the payment of expenses until 2022.

It is important to remember that there are advisors and others who stand to gain economically by making recommendations and implementing changes that may backfire on their clients, so caution is advised. For many individuals and families, the best thing to do is to get all of the information and documentation organized, and to see a reputable tax advisor in order to be farther up in line to get properly positioned once changes are (if they are) ratified.



Key Points and Planning Strategies



1. This is anyone's guess, and making moves for the sake of predicting what might happen could do more harm than good.
2. Beware of those selling "products or preying on fears. For example, high internal value life insurance products will probably be immune from gain on death and income taxes during life, but the expenses associated therewith may make them less desirable than staying with more conventional investments, especially for relatively small investors.
3. Keep enough cash around to pay your taxes, and they may be higher in the future so gear down expenses and obligations if this will negatively impact your retirement savings etc. Keep your financial house in good order for possible tax increases and a possible large recession. Hope for the best while planning for the worse to some extent.
4. The estate tax is not going away. A great many families have not done what their friends and colleagues have done by using irrevocable trusts, discounted gifting or family installment sales, and long term low interest notes. There is a good chance that these arrangements will be grandfathered and a very small chance that the grandfather date will be in mid-September, September or shortly thereafter, so get these done sooner or later.
5. Use your exemptions now if you are going to, or use the Biden 2-Step to now complete and installment sale for a note and be ready to forgive the note as a gift.



Key Points and Planning Strategies (Cont.)



6. We think that assets transferred to irrevocable trusts before an effective date would be likely to escape both estate tax and recognition of gains on death, so if the family needs this anyway get it done.
7. Be charitable. With a Charitable Remainder Unitrust NIMCRUT arrangement capital gains and other income can be deferred for 15 or more years to be taken out and taxed if and when the rates go down again. The 10% remainder interest can go to a family managed charity.
8. Consider installment sales to a family entity now to be able to take capital gains on the asset by electing out of the installment sale method, or to defer the gain until determined appropriate. Take into account the 2 year “anti-rushing rule”. Sell now to a family entity and decide next year whether to take the gain in 2021 or when the note is actually paid.
9. Be ready to accelerate income to this year. Work harder this year and take the long vacation next year.
10. Be ready to accelerate deductions, while nothing in the recent proposal would place a cap on deductions, this might appear in final legislation. Have the charter boat, charter airplane, or other section 179 property ready to buy and put into service before the end of the year in case this is the last year for this.



Key Points and Planning Strategies (Cont.)



11. Spread out income to avoid crossing thresholds.
12. Put assets into irrevocable trusts or take them out as desired in case these actions become taxable events after the new law is in effect.
13. Consider deferring the recognition of losses until 2022.
14. Make contributions to donor advised fund or private foundation to accelerate charitable income tax deduction, and use a grantor CLAT (prior to effective date) to give a high chance that something will be left in the CLAT to pass estate and free to relatives after a term of charitable payments.
15. Use of disclaimer planning to avoid adverse tax consequences if changes are retroactive, or gift only cash.
16. Consider delaying state estimated income tax and real estate tax payments and incurring penalties to allow for SALT tax deduction in 2022. Although no changes to the SALT limitation were included in the initial draft of the bill.





THANK YOU FOR PARTICIPATING!

And to Think That I Saw It on TAXBERRY STREET



By Alan Gassman and Brandon Ketron

agassman@gassmanpa.com

Brandon@gassmanpa.com



1245 Court Street Clearwater, FL 33756