

Anchorage Estate Planning Council

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TEMPORARY REPEAL OF ESTATE AND GST TAXES

What Should Your Clients Do?

A Panel Discussion: Brian Durrell, Steve Greer, Christina Passard, and Dave Shaftel

1. History: What Did Congress Do?

- a. Pre-2001 Law
- b. 2001 Tax Act
 - i. Increased exclusion, decreased rates
- c. State death tax phased out (2005, decoupling)
- d. 2010 repeal of estate and GST taxes
- e. Gift tax retained at 35% rate
- f. Modified carryover basis
- g. Sunset of Act

2. 2010: What Will Congress Do, and Issues Until They Do So

- a. What will Congress do?
- b. Formula clauses and references to estate and GST tax concepts
 - i. Examples re: marital/bypass shares
 - ii. Examples re: charitable bequests
 - iii. Examples re: GST bequests
- c. GST issues
- d. State construction statutes

3. What Should Our Clients Do in 2010 Relating to Gifting, Wills, and Revocable Trusts?

- a. Notification of Clients
- b. Review files
- c. Codicil/amendment for wills and revocable trusts relating to issues created by formula clauses and references to estate and GST tax concepts.
- d. Disclaimers
- e. Spousal elections
- f. Gifting: 35% rate
 - i. Formula clauses
 - ii. Inter vivos QTIP trust
 - iii. Deathbed Gifts
- g. Carryover basis planning

4. What Should Our Clients Do in 2010 Relating to GST Planning?

- a. Administration of existing GST trusts
- b. Creation of new GST trusts
- c. Testamentary GST trusts

5. Questions, Answers, and Comments