



ESTATE TAX PLANNING

preserving your wealth through estate planning

WHAT WILL HAPPEN WHEN YOU'RE NOT AROUND?

Will your family members and other beneficiaries receive the bulk of your wealth and assets, or will the federal and state taxing authorities take the largest bite? Estate and gift taxes play a large role in your ability to preserve wealth and transfer your business and other assets to the next generation and beyond, and early planning is the best way to protect those assets.

TYPES OF ESTATE PLANNING



trust planning

Trusts allow a third party, or trustee, to hold assets on behalf of a beneficiary or beneficiaries.

Benefits include:

- Reduced estate and gift taxes
- Distribution of assets to heirs efficiently without the cost, delay and publicity of probate court
- Protection from creditors and lawsuits



gift planning

Planned giving or gift planning is made up of assets from your estate rather than cash donations. Gift planning can be an effective tax liability minimization opportunity, in addition to playing a role in your succession planning strategy.

Planned gifts include:

- Charitable gift annuity
- A charitable remainder trust or lead trust
- An endowment fund
- Retirement plan assets and life insurance policies
- The remainder interest in your home



college savings plans

College savings plans, or a 529 plan, provide tax advantages and incentives to make saving for college easier for a designated beneficiary (child, grandchild).

Benefits include:

- Income tax breaks
- State tax breaks (select states)
- Control of the account
- Money grows free from federal and state income tax



business succession

Succession planning is the process of ensuring appropriate leadership and success when you exit your business. It is also crucial to minimizing tax liability and maximizing opportunities to realize a better sale price.

Benefits include:

- Align strategic goals and human resources
- Save time and money by investing in the right people
- Strengthen departmental relationships
- Ensure an optimal valuation to help the owner obtain the sale price they desire

In addition to the types listed above, you may also consider a *philanthropic strategy*

A philanthropic strategy is a long-term giving plan that includes charitable impact, budget, investment strategy, and long-term goals.

Giving Plan Considerations:

- Tax efficacy
- Cost
- Distribution to charity
- Legacy options

CREATING YOUR ESTATE PLANNING TEAM



the CPA

- Provides asset valuation and tax projections to develop plans to achieve tax-efficient growth and transfer of your assets
- Prepares income tax filings for trust, estate, and gift tax returns
- Translates complex documents
- Ensures compliance



the financial advisor

- Ensures your plan is complete
- Ensures accounts are properly titled
- Prevents unnecessary probate costs and other taxes
- Manages assets in other states
- Provides liquidity options in order to pay taxes or estate expenses



the attorney

- Protects your assets and inheritance options
- Drafts documents to match your planning objectives
- Keeps all documents up-to-date as your life changes
- Ensures your plan follows the laws of your state

Having the combined expertise of a CPA, a financial advisor, and an attorney sets your estate plan up for success and makes achieving your financial and estate planning goals possible.

GROWING YOUR LEGACY

protect your assets and minimize tax liability

If you're ready to work with estate planning advisors who are driven to achieve tax-efficient growth and transfer of your assets, contact the MiddletonRaines+Zapata tax team & advisors!



To find out how the MiddletonRaines+Zapata team of advisors can help you with your estate planning needs, visit <http://www.mrzllp.com/income-tax/estate-planning>



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