



Estate planning: What to do now in light of new tax laws

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Today's presenter

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The use of trusts in a world with no estate tax

A. Revocable trust planning

1. Proper asset titling

B. Basic protection planning in a variety of settings

- Basic protection planning sliding scale of protection vs. access and control

Three primary issues

1. Choice of trustee
2. Access to trust
3. Termination of trust

1. “I don’t really trust my son-in-law....” Planning for unstable marriages

- Design
 - Self- trusted, unlimited access, long duration

2. “My daughter, the doctor, is always worried about lawsuits...” Planning against predators

- Design
 - Self-trusted, unlimited access, age related duration

3. “My son drinks a little...” Planning for substance abuse

- Design
 - Third-party trustee, restricted access, lifetime duration

4. “If I die I want my wife to remarry but...” Planning for second marriages

- Design
 - Q-Tip trust, co-trustee, lifetime duration

C. Trusts for a special needs person

- Design

- Third party trustee, discretionary distributions, lifetime duration

2. “My wife’s memory is beginning to slip...” Trust for management and control

- Design

- Third-party trustee, discretionary distribution, lifetime duration, revocable trust, asset titling

3. “If I die, what happens if my husband goes into a nursing home...” By-pass trust planning for Medicaid

- Design
 - Tax Tension – Old concept:
 - Step-up in basis
 - Exclusion from estate

- Design
 - Tax Tension – New concept:
 - Step-up in basis
 - Inclusion in estate

II. Integrating qualified plan assets with trust planning

A. Required minimum distributions at death

1. Death before age 70 ½

a. Spouse as beneficiary

b. Non-spouse beneficiaries

(i) Designated beneficiaries

(ii) No designated beneficiary

2. Death after age required beginning date

a. Spouse as beneficiary

b. Non-spouse beneficiaries

(i) Designated beneficiary

(ii) No designated beneficiary

B. Designated beneficiary

1. General rule

2. Trusts as designated beneficiary

3. Perplexing issues

C. The see-through trust



Thank you for attending