

# “Advanced” Estate Planning

## (2 Hours; 36 Pages of Text)

- 1) Family Limited Partnerships
  - a) Section 721
  - b) General partner
  - c) Limited partners
  - d) Supercharging an Estate Plan with FLPs
  - e) Supercharged Gifting
    - i) Example:
  - f) Keeping it Within the Family
  - g) Managing the General Partner’s Liability Exposure
  
- 2) Estate Tax Issues with the Senior Generation
  - a) General Partner
  - b) Limited Partners
  - c) Estate Planning with FLPs
  
- 3) IRS Challenges
  - a) Challenges to the Legal Status and Operations of FLPs:
  - b) Challenges Involving Gifts of FLP Interests
  
- 4) “Freeze Partnerships”
  - a) Overview
    - i) Example:
  - b) **Multiplying the Discounts of a Traditional FLP**
    - i) The use of preferred/non-preferred interests
    - ii) Example
  - c) Incorporating the use of life insurance
    - i) Example
  - d) Summary of the preferred non-manager/non-preferred
  
- 5) Grantor Retained Annuity Trusts
  - a) Overview
  - b) Zeroed-out GRAT” or “Walton GRAT”
  - c) GRAT Structure
    - i) Irrevocable
    - ii) Payment Structure
  - d) Maximizing Wealth Transfer Planning Through Zero Gift Tax GRATs.
  - e) Other Tax and Administration Issues
  - f) Income Taxes
  - g) Estate or Generation-Skipping Tax Planning Issues

- 6) Intentionally Defective Grantor Trusts
  - a) Overview
  - b) Powers that Create a “Defective” Grantor Trust
  - c) The Power to Reacquire Trust Property.
  - d) Power to Borrow Trust Assets without Adequate Interest or Security
  - e) The Power to Use the IDGT’s Income for the Purpose of Paying Insurance Premiums
  - f) Structuring the Sale
    - i) Example
  - g) Benefits of the Transaction
  - h) Planning Risks
- 7) Self-Canceling Installment Note Transactions (SCIN)
  - a) Overview
  - b) Interest-premium SCIN
  - c) Principal premium SCIN
  - d) Income and Estate Tax Consequences of SCIN Transactions
    - i) Example
  - e) Additional Considerations
- 8) Conclusion on “Advanced” Planning Techniques