

## **Asset Protection** **(3 Hours; 85 Pages of Text)**

### **Domestic Asset Protection**

- 1) Introduction
  - a) Why advisors need to know asset protection
  - b) Why other certification programs ignore asset protection
  - c) Which clients need asset protection?
  - d) Negligence (The legal definition with examples)
  - e) Directors and officers, employees
  - f) Personal service exceptions
  
- 2) Fraudulent Transfers
  - a) Actual Fraud
  - b) Constructive Fraud
    - i) FMV
    - ii) Damages known
    - iii) Insolvency
  - c) Defenses
    - i) Legitimate business purpose
    - ii) Transferring assets
  
- 3) Existing Laws
  - a) Homestead exemption
  - b) Life insurance
  - c) Annuities
  - d) Wage protection
  
- 4) Retirement Plans
  - a) Retirement Plans
    - i) ERISA plans
    - ii) Non-ERISA plans
    - iii) IRAs
  
- 5) Typical Asset Protection Plans (that do not always work)
  - a) Co-Ownership
    - i) Joint tenancy
    - ii) Tenants in common
    - iii) Tenants by the entireties
  - b) Community property states
  
- 6) Corporate Entities
  - a) Sole proprietors
  - b) Partnerships

## Outline for the CWPP™ Certification Course

- c) Corporations (C- and S-corporations)
  - d) Limited liability companies
  - e) Piercing the corporate veil
  - f) Keeping the entity valid
  - g) Types of Creditors
    - i) Inside
    - ii) Outside
  - h) Director's and officer's liability
  - i) Trustee/Fiduciary liability
- 7) Limited Liability Companies/Family Limited Partnerships
- a) Differences between LLCs/FLPs and C-or S-corporations
  - b) Charging orders
  - c) Potential problems with LLCs/FLPs
  - d) What types of assets should be held in LLCs/FLPs
  - e) Where to incorporate
- 8) Trusts as Asset Protection Tools
- a) Types of trusts
    - i) revocable
    - ii) irrevocable
    - iii) intervivos
    - iv) testamentary
  - b) Dynasty trusts
  - c) Alaskan asset protection trusts (and other self settled trusts)
- 9) Personal Residence Protection
- a) Homestead exemption
  - b) Tenants by the entirety
  - c) Qualified Personal Residence Trust (QPRT)
  - d) LLCs and FLPs
  - e) Debt Shields (Equity Stripping)
- 10) Accounts Receivable (A/R) Asset Protection
- a) A/R Leveraging overview
  - b) A/R Leveraging done right
  - c) The finances of A/R Leveraging Plan
  - d) Is A/R Leveraging right for your clients?

## **Offshore Asset Protection**

- 1) Offshore Asset Protection
  - a) Why offshore
  - b) Pitfalls to offshore planning
  - c) The Anderson Case

- 2) Offshore Limited Liability Companies (LLCs)
- 3) Offshore Trusts
  - a) Typical offshore setup
  - b) Potential problems with a Foreign Trustee
  - c) The Protector
  - d) Contempt of court
  - e) What defenses are available for contempt?
- 4) Closely Held Insurance Companies (CICs)

**Estate Planning**  
**The Basics**  
**(1 Hour; 21 Pages of Text)**

- 1) Introduction
- 2) Wills
  - a) How often should a will be updated?
  - b) Holographic wills
  - c) Disinheriting a spouse
- 3) Durable Powers of Attorney
  - a) What is a Durable Power of Attorney (DPA)?
  - b) Why would such a document save time and money?
  - c) Types of Durable Powers
  - d) “springing powers”
  - e) Delegating medical treatment options and/or directives
  - f) What is a Living Will?
- 4) A&B, Marital, or Living Trusts
  - a) What are the benefits of A&B trusts?
  - b) Avoid Probate
  - c) Maximize Estate Tax Exemptions
  - d) Examples
  - e) Revocable
- 5) Irrevocable Life Insurance Trusts (ILIT)
  - a) Life Insurance
  - b) Income tax free death benefit
  - c) Estate tax free death benefit
  - d) ILIT has to own the policy
- 6) Dynasty Trusts

- 7) Divorce Protection
  - a) How do Clients Protect Inherited Assets in a Divorce?
  - b) Prenuptial Agreement
- 8) Generation Skipping Tax (GST)
  - a) GST Exemptions
  - b) Why use a Generation Skip?
  - c) Limits on the Dynasty

## **Life Insurance**

### **(1 Hour; 28 Pages of Text)**

- 1) Introduction
  - a) The Basics
- 2) Type of Life Insurance Policies
  - b) Term Life Insurance
    - i) Guaranteed Level Term (GLT)
    - ii) Annually Renewable Term (ART)
    - iii) Return of Premium Term (ROPT)
    - iv) Conversion privileges
    - v) Conclusion on term life
- 3) Cash Value Life Insurance
  - a) Cash Surrender Value (CSV)
  - b) Cash Account Value (CAV)
  - c) Policy Withdrawals
  - d) Modified Endowment Contract (MEC)
    - i) MEC tax treatment
    - ii) Technical definition of a modified endowment contract
    - iii) The seven-pay test
    - iv) Refund of Excess Premiums
    - v) Benefit reductions within the first seven contract years
    - vi) Reductions of Benefits Attributable to Nonpayment of Premiums
    - vii) Conclusion on the MEC rules
  - e) Policy Loans
- 4) Whole Life Insurance
  - a) 10 Pay and 20 pay Whole Lives
  - b) Full Pay Whole Life
  - c) Whole Life Insurance Conclusion

## Outline for the CWPP™ Certification Course

- 5) Universal Life
  - a) Fixed Universal Life
  - b) Accumulation Universal Life
  - c) No-Lapse (Secondary Guarantee) Universal Life (Also known as “no-cash value” UL)
- 6) Variable Universal Life
- 7) Equity Indexed Universal Life (EIUL)
  - a) How are investment returns calculated in an EIUL?
  - b) Pros and Cons of the “new” EIUL policy:
- 8) Survivorship or "2nd-to-die" Life Insurance
- 9) Policy Riders
- 10) Underwriting

### **Section 79 Plans** **(1 Hour; 20 Pages of Text)**

- 1) Introduction
- 2) Requirements of Code Section 79
  - a) Group term life insurance
  - b) \$50,000 of term life coverage
  - c) Employee funding formulas
    - i) Full time employees
  - d) Discriminatory funding
  - e) Individual employee selection
- 3) Group Term Life and “Permanent” Benefits
  - a) Benefits not considered permanent
  - b) Cash value life insurance
  - c) Federal income taxes
    - i) Cost of permanent benefits
  - d) Example
  - e) Treatment of dividends with cash value life
  - f) Allocation of permanent benefits to various employees tax years
- 4) Employee Payments for Permanent Benefits
  - a) Individual life policies as group policies
  - b) Deduction of Premiums
    - i) Business deduction

- 5) Section 79 Plans after IRS adjustments to Split-Dollar Life Insurance
- 6) Practical Use of Section 79 Plans
- 7) Potential Penalty Exposure
  - a) Code section 6662

## **Mortgages/Equity Harvesting** **(1 Hour; 27 pages of Text)**

- 1) Introduction
  - a) Help your clients and build a more profitable practice through the use of mortgages
- 2) Conventional loans
  - b) Amortization schedules
  - c) Protecting the client
- 3) Types of Mortgages
  - a) Conventional and Government Loans
    - i) FHA
    - ii) VA
    - iii) RHS Loan Programs
    - iv) State and Local Housing Programs
    - v) Conforming Loans
    - vi) Jumbo Loans
    - vii) B/C Loans
    - viii) Fixed Rate Mortgages
    - ix) Balloon loans
    - x) Adjustable Rate Mortgages (ARMs)
      - Margins
      - Negatively amortizing loans
- 4) Indexes
  - a) Constant Maturity Treasury (CMT) Indexes
  - b) Treasury Bill (T-Bill) Indexes
  - c) 12-Month Treasury Average (MTA)
  - d) 11th District Cost of Funds Index (COFI)
  - e) London Inter Bank Offering Rates (LIBOR)
  - f) Certificates of Deposit (CD) Indexes
  - g) Prime Rate
- 5) Should clients pay off their mortgages?

## Outline for the CWPP™ Certification Course

- 6) The Cash Flow/Option Arm Mortgage
  - a) 1% Cash Flow Arm Mortgage
  - b) Mechanics of the 1% CFA Mortgage
  - c) Real World Planning
  
- 7) Equity Harvesting (also known as equity stripping)
  - a) Why would a client want to equity harvest?
  - b) Real World
  - c) Interest deduction
  - d) Not for everyone
  - e) Getting to the numbers behind equity harvesting
  - f) Non-1% cash flow arm equity harvesting
  
- 8) Should you be selling mortgages?
  - a) Why should you sell mortgages?
  - b) Aren't mortgages a pain in the neck to sell?
  - c) What kind of money can be made selling mortgages?
  
- 9) Summary on Mortgages

### **Accounts Receivable** **Asset Protection** **(1 Hour; 27 Pages of Text)**

- 1) A/R Financing: The Basics
  - a) Shielding the A/R from creditors and lawsuits
  - b) Converting a stagnant asset
  
- 2) Common Elements
  - a) Loan collateralized by A/R
  - b) Cash value life as an investment
  
- 3) The First Generation of A/R Financing Plans
  - a) borrow from a third-party lender
  - b) single premium immediate and life insurance purchase
  - c) "modified endowment contract"
  - d) Forfeiture
  - e) Pledging assets
  - f) Plan termination
  - g) Payment shortfall
  
- 4) The Problems
  - a) Deductibility of Loan Interest
  - b) Timing of Inclusion of Income
  - c) Substantial Risk of Forfeiture
  - d) Prohibited ERISA Transaction

## Outline for the CWPP™ Certification Course

- 5) Tax Consequences to Client
  - a) Application of Split-Dollar Rules to Life Insurance Policy
    - i) the loan regime
    - ii) the economic benefit regime.
  - b) Determining “Owner” of Life Insurance Policy
  - c) General Tax Law Principles Apply
  - d) Taxation of Cash Value Build-up
    - i) The IRS, in TAM 9604001
    - ii) Section 72(e)(6) of the Internal Revenue Code
  - e) Guidance from the split dollar regulations
  - f) General Rules of Section 83
  - g) Single Shareholder Practices
  - h) Deductibility of Interest
  - i) Single Premium Policies
  - j) Systematic Borrowing
- 6) Application of ERISA
- 7) Other Considerations
  - a) Choice of Product-
  - b) Non-MEC
- 8) Types of Plans Currently Marketed
  - a) The Practice Loan Approaches
  - b) The Pass-through Entity
  - c) Other approaches
    - i) LLC approach
    - ii) Capital gains approach
- 9) The Personal Loan Approach; The “Right” Approach
  - a) The Mechanics
  - b) Example
- 10) A/R Financing and Non-Physician Entities
- 11) Conclusion

## **Tax Deferred Annuities** **(1 Hour; 28 Pages of Text)**

- 1) Introduction
- 2) What is an Annuity?
  - a) Annuitant
  - b) Beneficiary
  - c) Accumulation period.

## Outline for the CWPP™ Certification Course

- 3) What are the common characteristics of all annuities?
  - a) Variable annuities
  - b) Tax-deferral
  - c) Withdrawals
  - d) Asset protection
  - e) 1035 exchanges
  - f) Investment protection
  - g) Payment options
  - h) Death benefits
  - i) Surrender charges
  - j) Market Value Adjustment
  - k) Penalties
  
- 4) General Feature & Benefits of Annuities
  - a) Borrowing from an annuity
  - b) Bonus premiums
  - c) Penalty free withdrawals
  - d) Spousal option
  - e) Annuitization
  - f) Taxation
  - g) Sales Loads
  - h) Aggregation rule
  - i) Minimums and maximum premiums
  
- 5) What are the Different Classifications of Annuities?
  - a) Variable annuities
  - b) Fixed annuities
  - c) Single premium immediate annuity
  - d) Single premium deferred annuity
  - e) Tax shelter annuities
  
- 6) The Single Premium Immediate Annuity (“SPIA”)
  
- 7) Traditional Fixed Annuities
  
- 8) Index Linked Fixed Annuities (“EIA”)
  - a) Crediting methods
  - b) Participation rate
  
- 9) Total Return Fixed Annuities
  
- 10) Variable Annuities
  
- 11) Two-Tier Annuities
  
- 12) Who are the most likely candidates for annuities?

- 13) If clients only knew
- 14) Summary

## **The Maximizer** **(1 Hour; 23 Pages of Text)**

- 1) Introduction
  - a) What are your client's investment goals these days?
  - b) Background
  - c) The Independent Studies
  - d) Chronic Underperformance
- 2) Downside Protection
- 3) Mutual Fund Expenses
  - a) Sales Commissions
  - b) Expense
  - c) 12b-1
  - d) Turnover
- 4) Chasing "Star" Funds
- 5) Unethical Behavior
- 6) Index Approach
- 7) The Maximizer Alternative
  - a) Recovering From Losses
  - b) How Does This Actually Work?
  - c) How do the insurance companies stay profitable with EIAs?
  - d) Crossover point compared to traditional investing is 15%
  - e) Recovery
- 8) Summary

## **Qualified Retirement Plans I & II** **(2 Hours; 47 Pages of Text)**

- 1) Introduction
  - a) Employers
  - b) Employees

## Outline for the CWPP™ Certification Course

2) Individual Retirement Account (IRA); Simplified Employee Pension (SEP-IRA); Savings Incentive Match Plan for Employees IRA (SIMPLE-IRA)

3) The Solo 401(k)

4) 401(k) Plans

- a) “Next Level” 401(k) Plans
- b) Salary Deferrals
- c) The Problem
- d) Key Issues for Consideration
- e) Who is “Highly Compensated?”
- f) “Top Heavy” Concern
- g) New “Safe Harbors”
- h) Safe Harbor “Match”
- i) Safe Harbor “Non-Elective”
- j) How to Use These Safe Harbors

5) Money Purchase Plans

6) Profit Sharing Plans

- a) Contributions
- b) Three “Next Level” Tools to Consider
- c) Integrated Profit Sharing Plans
- d) Age-Weighting
- e) New Comparability
- f) Nondiscrimination Testing

7) Defined Benefit Plans

- a) The Problem
- b) The Solution
- c) A defined benefit plan works in reverse
- d) Who Should Consider This Plan?
- e) How Do These Plans Work?
- f) Plan Design
- g) Making a Commitment
- h) Survivor Benefits
- i) Envelope Funding vs. Split Funding

8) “Carve-Out” Defined Benefit Plans

- a) Example
- b) “Carve-Out” Planning

9) 412(i) Defined Benefit Plans

- a) Overview
- b) Requirements
- c) Advantages

## Outline for the CWPP™ Certification Course

- d) Disadvantages
  - e) Client Profile
  - g) Plan Design
  - h) How They Work
  - i) Investments and Gains
  - j) Benefits
  - k) Top-Heavy Benefit
  - l) Retirement Benefits
  - m) Lump Sum Distribution
  - n) The “GATT Concern”
  - o) New Law
  - p) Taking a Lump Sum from a 412(i) Plan
  - q) Benefits Taxation
  - r) Retirement Benefits
  - s) Life Insurance Taxation
  - t) Recent IRS Guidance.
- 10) Survivor Benefits
- a) Life Insurance Limits
  - b) Recent IRS Guidance
  - c) Case Study
  - d) Recent IRS Guidance
  - e) 412(i) Survivor Benefit Alternatives
  - f) “PS 58” Cost
  - g) Recent IRS Action
  - h) Life Insurance–Beyond Retirement
- 11) Administration
- a) Annual Service
  - b) Conversions
  - c) Over-Funded Plans
  - d) Under-Funded Plans
  - e) Plan Funding
- 12) Compliance
- a) Life Insurance Contracts
  - b) Related Employers
  - c) Parent-Subsidiary Controlled Group
  - d) Brother-Sister Controlled Group
  - e) Combined Group
  - f) Affiliated Service Group
- 13) 412(i) Abuses
- a) Rev. Proc. 2004-16
  - b) Rev. Ruling 2004-20
  - c) Rev. Ruling 2004-21
  - d) Abusive Tax Shelter?

14) Summary on Qualified Retirement Plans

**Non-Qualified Deferred Compensation**  
**(1 Hour; 27 Pages of Text)**

1) Introduction

2) WealthBuilder® Annuity (Helping clients income tax defer \$50,000-\$5,000,000 a year to a non-ERISA governed plan where there is no required funding for employees).

- a) What is Factoring?
- b) WealthBuilder® Annuity (WBA); A unique factoring plan
- c) How does WBA work?
- d) Example
- e) Continuous contracting
- f) WBA vs. Post-Tax Investing
- g) Who can use WBA?
- h) Pros and cons of WBA
- i) Early payment options
- j) Principal Protection
- k) Principal Protection Credit
- l) Interest Rate Cap Increase

3) Technical Questions Advisors will ask

- a) Detailed Discussion on the Constructive Receipt Doctrine
- b) Economic Benefit Doctrine
- c) Cash Equivalency Doctrine
- d) Installment Sales

4) Summary on WBA

5) Non-Qualified Deferred Compensation and The Evolution of Leveraged Bonus Plans Executive Benefits Basics

6) American Jobs Creation Act of 2004 Reaction to the Act

7) §162 Double Bonus Plan

8) §162 Leveraged Bonus Plan (LBP®)  
LBP's deductible component

9) Summary on NQDC and LBP

**Employee Stock Ownership Plans**  
**ESOPs**  
**(1 Hour; 28 Pages of Text)**

- 1) What is an ESOP?
  - a) A Brief History
- 2) How do ESOPs Work?
- 3) Uses of ESOPs
  - a) Buying the Stock of a Retiring Owner
  - b) Employee Benefit or Incentive
- 4) Tax Advantages for Business Planning
  - a) Introduction
  - b) Deductibility of ESOP Contributions
  - c) Deductibility of Dividends
- 5) Types of ESOPs
  - a) Non-Leveraged ESOP
  - b) The Leveraged ESOP
    - i) Setting up a Leveraged ESOP
  - c) A “Seller Financed” ESOP
- 6) Employee Vesting
- 7) Distributions
  - a) ESOP Rollover (Tax Deferral)
  - b) Floating Rate Notes
- 8) How to Establish an ESOP
- 9) Exploring the ESOP Concept
- 10) Designing the Specifics
- 11) Special Planning Techniques with an ESOP
  - a) The use of a Charitable Trust
  - b) The use of a Family Limited Partnership
- 12) S-Corporations/Special Tax Considerations

- 13) Special Fiduciary Liability Rules under ERISA for ESOPs
  - a) The purchase price does not exceed fair-market value
  - b) The prudent man standard also is complied with
  - c) Prohibited Transactions and Special Exemptions
  
- 14) Accounting Considerations
  - a) Liabilities
  - b) Equity
  - c) Income
  - d) Dividends
  - e) Earnings per Share
  - f) Disclosures
  
- 15) Repurchase Liability

## **Life Settlements**

**(1 Hour; 27 Pages of Text)**

- 1) Introduction
  
- 2) Why should all advisors learn about life settlements?
  
- 3) Why sell a life insurance policy?
  - a) What type of life insurance policies works for life settlements?
  - b) When would a client consider selling a life insurance policy?
  - c) Statistics about the life settlement market
  - d) Who is involved in Life Settlements?
  
- 4) The Process
  - a) Due Diligence by an advisor regarding Life Settlements
  - b) Tax considerations
  - c) Tax Diagram
  - d) NAIC Disclosures
  - e) What if a client changes his/her mind after selling a life policy?
  - f) What if a client dies shortly after completing a life settlement sale?
  - g) Will a Provider contact clients about their health status?
  
- 5) Examples of Life Settlements
  - a) No future need for life insurance
  - b) Term conversion
  - c) Unplanned health change
  - d) Additional insurance needed
  - e) Key-man

## Outline for the CWPP™ Certification Course

- 6) Life Settlements without a Broker
  - a) How the client receive more money

### **Viatical Settlements**

- 7) What are viatical settlements?
- 8) Why would a terminally ill client sell their life insurance policy?
- 9) How does a typical Viatical Settlement work?
  - a) Are the investment returns of Viatical Settlements Guaranteed?
  - b) Are viatical settlement investments appropriate for the small investor?
  - c) Isn't investing in viatical settlements a humanitarian thing to do?
  - d) What happens if the underlying policy was obtained based on misrepresentations of health status?
- 10) What questions should be asked to the person trying to sell a viatical settlement?
- 11) HIPPA
- 12) What can go wrong with a Viatical Settlement?
- 13) Conclusion on Life Settlements and Viaticals

## **IRAs**

### **Advanced Investment Planning (1 Hour; 25 Pages of Text)**

- 1) Introduction
- 2) Could Real Estate be the Answer?
- 3) Investment Limitations of IRAs
  - a) S-Corporation Stock
  - b) Annuities
  - c) Principal protection
  - d) Equity indexed annuities
  - e) Variable annuities
- 4) Roth and Traditional IRAs
  - a) Contributions
  - b) Deductibility
  - c) Tax Credits
  - d) Withdrawals

## Outline for the CWPP™ Certification Course

- e) Roth IRA Withdrawals
  - f) IRA Rollovers and Transfers
  - g) IRA to Roth IRA Conversions
- 5) Educational IRAs
- a) Contributions
  - b) Requirements to Open an E-IRA Account
  - c) Distributions
  - d) Prohibited Transaction Rules
- 6) Prohibited Transactions
- 7) Unrelated Business Income Taxes (UBIT)
- 8) Active Business Income
- 9) Debt Financed Income

## **REVERSE MORTGAGES** **(1 Hour; 23 Pages of Text)**

- 1) Introduction
- 2) What is a reverse mortgage?
- 3) Who can use reverse mortgage?
- 4) Enter into a partnership with your home
- a) Harnessing the power of reverse mortgages
  - b) Preliminary observations
  - c) Condo's and Co-Ops
  - d) Brutal facts of reality
- 5) Reverse mortgage advantages
- 6) The three reverse mortgage plans
- a) FHA (or HECM or HUD)
  - b) Homekeeper
  - c) "Jumbo"
- 7) Reverse mortgages are here to stay
- a) Why a reverse mortgage works
  - b) Moving in Reverse
  - c) Risk reversal

## Outline for the CWPP™ Certification Course

- d) Our “senior pioneers”-a bit of a review and some things new
- 8) Dispelling the myths about Reverse Mortgages
- 9) Case Studies
  - a) Example one
  - b) Example two
  - c) Example three
  - d) Example four
  - e) Example five
- 10) In Review

### **Qualified Plan Insurance Partnership®** **Mitigating the “70-80% Tax Trap”** **(1 Hour; 29 Pages of Text)**

- 1) Introduction
- 2) Example of the 75% tax trap
- Steps for Successful Coordination of Life Insurance and Retirement Benefits**
- 3) Consider The Power Of Tax-Free Compounding.
- 4) Review The Minimum Distribution Rules.
  - a) Minimum Amount to be Distributed to the Participant.
  - b) Distribution Rules for Roth IRAs.
- 5) Plan For The Payment Of Estate Taxes
  - a) IRA assets to be used to pay the tax
  - b) Stretch IRAs do not work for people with estate tax problems
  - c) Life insurance could be used to pay the tax
- 6) The Use Of Retirement Accounts To Pay Insurance Premiums
  - a) Should clients use retirement account assets to pay life insurance premiums?
  - b) There are four “traditional” ways to pay life insurance premiums in retirement plans.
  - c) Valuing a life insurance contract owned by a qualified plan
  - d) IRC § 408(a)(3) limits with IRAs

7) **Qualified Plan Insurance Partnership**®

- a) Prohibited Transaction Rules
- b) IRC and ERISA prohibited transaction
- c) Disqualified “persons”, the 50% rule
- d) LLCs and FLP are not disqualified “persons” when setup correctly
- e) Potential problems when using LLCs or FLPs as investments in IRA or qualified plans.

8) IRAs

- a) Using a QPIP to purchase insurance with IRA assets
- b) The “Plan Asset Rule” and its application to an IRA’s investments in a LLC
- c) Why the Plan Asset Rule should not be applicable to a QPIP

## **Private Annuity Trust (PAT) (1 Hour; 25 Pages)**

1) Selling Highly Appreciated Assets

- a) Don’t Pay the Capital Gains Tax
- b) Current Tax Deferral Strategies
- c) Depreciation Recapture – The Tax No One Wants To Talk About
- e) To Defer or Not To Defer
  - i) Example

2) The Private Annuity Trust

- a) What happens when the client/annuitant dies?
  - i) Example
- b) Sell the Property, Pay the Taxes
- c) Retain the Property and Estate until Death

3) Private Annuity Trust versus 1031 Tax-Free Exchange

4) The Perfect Alternative

- a) The Private Annuity Trust

5) Charitable Planning

- a) Donate Using a Charitable Remainder Trust
- b) Charitable Remainder Annuity Trust (CRAT):
- c) Charitable Lead Annuity Trust (CLAT):
- e) Private Annuity Trust versus Charitable Remainder Trust

6) Using a Private Annuity Trust

- a) The Trustee -- An Important Choice
- b) Investment Flexibility with the Private Annuity Trust
- c) Maximizing Benefits When It’s Time for Wealth Transfer

- 7) Typical questions a client will ask
- 8) Benefits, Advantages, and Disadvantages of Private Annuity Trust
  - a) Benefits to Annuity Property
  - b) Other Benefits to Annuitant
  - c) Advantages
  - d) Disadvantages
  - e) Review of Options
- 9) Conclusion

## **Voluntary Employee Beneficiary Associations (VEBAs)** **(1 Hour; 27 Pages of Text)**

- 1) Introduction
  - a) History
  - b) Single Employer Trusts
- 2) VEBA Basics
  - a) What is a VEBA?
  - b) What is the difference between a “VEBA” and a Section 419 WBP?
  - c) Economic Benefits of VEBAs
  - d) Are VEBA Assets Protected from Creditors?
  - e) Businesses that can Benefit from VEBAs
  - f) What are the Death and Living Benefits of a VEBA?
  - g) Long Term Care Coverage (LTC)
  - h) Is a VEBA subject to ERISA reporting?
  - i) May Employees be Excluded from the Plan?
- 3) Can Individual Universal Life Insurance Policies be used in VEBAs?
  - a) Death Benefits can Pass Income and Estate Tax Free
- 4) Plan Contributions
- 5) What Happens if an Employer Terminates a VEBA?
- 6) Abuses
  - a) Why Would a Small Employer Want to use an “Abusive” 10-or-more-employer Welfare Benefit Plan (WBP)?
- 7) IRS Regulations
  - a) Listed Tax Transaction
- 8) Should your Clients get Involved with an Abusive 419A(f)(5) Union Plan?

## Outline for the CWPP™ Certification Course

- 9) Avoid IRS Scrutiny
- 10) Did the IRS Succeed in shutting down the sales of abusive plans?
- 11) How are WBPs Sold Today?
- 12) What is the Proper Way to Sell and Use a WBP?
- 13) Should your client be Using 10-or-More Employer WBPs?
- 14) Conclusion

### **“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

## Outline for the CWPP™ Certification Course

- 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

## **Charitable Planning** **(1 Hour; 28 Pages of Text)**

- 1) Introduction
  - a) Interesting Statistics
  - b) Why don’t more clients implement planned giving into their financial plans now?
  - c) Who will serve this \$25 *trillion* market?
  - d) Objectives
  - e) Opportunity

## Outline for the CWPP™ Certification Course

- 2) Understanding the Benefits of Charitable Planning
  - a) Split Interest Gift Overview
  - b) Recognizing Charitable Intent
- 3) Charitable Gift Annuities (CGA)
  - a) CGA Quick Facts
  - b) Substantial Tax Benefits
  - c) Guaranteed Benefits – Income
  - d) Guaranteed Benefits - Charitable Legacy
  - e) Charitable Gift Annuity Program Schematic
  - f) CGA Program Insured Benefits
- 4) Charitable Remainder Trusts (CRT)
  - a) Charitable Remainder Annuity Trust (CRAT) Program
  - b) CRAT Program Highlights
  - c) Substantial Tax Benefits
  - d) Guaranteed Benefits
  - e) GRAT Program Schematic
  - f) CRAT Program Insured Benefits
- 5) Program Comparisons
  - a) Example 1
  - b) Example 2
  - c) Wealth Replacement (Example 3)
- 6) Donor Advised Funds
  - a) Quick Benefits of Donor Advised Funds
  - b) How Donor Advised Funds Work
- 7) Charitable Lead Trusts
  - a) General Description of Charitable Lead Trusts
  - b) Grantor Lead Trusts
  - c) Non-grantor Lead Trusts
  - d) Grantor Lead Trusts
  - e) Non-grantor Lead Trusts
  - f) Illustrations
- 8) Private Foundations
  - a) Section 4942
  - b) Section 4944
  - c) Section 4945
  - d) Difference between Private Foundation (PF) and a CGA/CRT?
- 9) Summary on Charitable Giving

# Health Insurance

## **Why Costs are Rising And How to Curb those Costs (1 Hour; 25 Pages of Text)**

- 1) Introduction
- 2) Why Costs Are Rising
  - a) HIPAA/Kennedy-Kassabaum Bill
- 3) COBRA
  - a) Plans Covered by COBRA
  - b) Those eligible for coverage
  - c) Time Frames

### **Health Insurance Strategies**

- 4) Fully Insured
- 5) Health Reimbursement Accounts (HRAs)
  - a) What is an HRA
  - b) How do HRAs work?
  - c) How does the Employer fund the HRA?
  - d) How many types of HRA plans are possible to implement?
  - e) Why would an employer consider an HRA?
  - f) Can Employees "cash out" their unused HRA funds?
  - g) Who holds the HRA funds?
  - h) Can an LLC or Sub-S Corporation participate in an HRA program?
  - i) Summary on HRAs
- 6) Partially Self-Funded Plans
  - a) Viability for your clients
  - b) Why are Partially Self-Funded Plans not being used?
- 7) Prescription Drug Card 'Carve-Out' Plans
- 8) Section 125 Plans
- 9) Health Savings Account (HSA) (formerly Medical Savings Accounts)
  - a) What is an HSA?
  - b) What can the HSA Money be used for?
  - c) Why use an HSA?
  - d) How Does an HSA Work to Save Employers Money?
  - e) Example 1
  - f) Example 2:
  - g) Why employers do not use HSAs
  - h) Frequently Asked HSA Questions
- 10) Summary on Health Insurance