

# **Visual Estate Planning**

## **Course Description & Study Guide**

Throw away the tax Code and regulations and make sense of estate planning. Learn how to structure an effective estate plan using a highly visual, real-life situation approach. Diagrams, charts, tables, and calculation sheets are used to present key elements of any successful estate plan - from the simplest to the most complex.

**Completion Deadline & Exam:** This course, including the examination, must be completed within one year of the date of purchase. In addition, unless otherwise indicated, no correct or incorrect feedback for any exam question will be provided.

**Course Level:** Overview. This program is appropriate for professionals at all organizational levels.

**Field of Study:** Taxes

**Prerequisite:** General understanding of federal income taxation.

**Advanced Preparation:** None

## **Learning Assignments & Objectives**

As a result of studying each assignment, you should be able to meet the objectives listed below each assignment.

| <b>ASSIGNMENT</b> | <b>SUBJECT</b>         |
|-------------------|------------------------|
| <b>Chapter 1</b>  | <b>Estate Planning</b> |

At the start of Chapter 1, participants should identify the following topics for study:

- \* Build, preserve, & distribute
- \* Legal documents
- \* Estate planning team

- \* Estate administration
- \* Transfers within probate
- \* Transfers outside probate
- \* Transfers using a trust
- \* Special planning tools
- \* Facts

### **Learning Objectives**

After reading Chapter 1, participants will be able to:

1. Identify the elements of estate planning and the importance of well-drafted legal documents and cite the key team participants noting their roles in estate planning process.
2. Recognize the probate process to guide clients through an average probate.
3. Identify those estate tax-planning elements that remain relatively unaffected by recent legislation and recognize how each could benefit the taxpayer's estate planning.
4. Specify estate-planning goals in designing an effective plan noting primary plans that allow disposition outside of probate and identify trusts in at least one of two ways.
5. Determine the mechanics of a living "A-B" and "A-B-C" (QTIP) trust noting their ability to reduce death taxes and identify of estate-planning facts to develop an information base for an estate plan.

After studying the materials in Chapter 1, answer the exam questions 1 to 21.

| <b>ASSIGNMENT</b> | <b>SUBJECT</b>                 |
|-------------------|--------------------------------|
| <b>Chapter 2</b>  | <b>Estate &amp; Gift Taxes</b> |

At the start of Chapter 2, participants should identify the following topics for study:

- \* Federal estate tax
- \* Taxable gross estate
- \* Deductions from gross estate
- \* Valuation
- \* Estate tax return & payment
- \* Tax basis for estate assets
- \* Generation-skipping transfer tax
- \* Gift taxes
- \* Annual exclusion
- \* Shifting income & gain

### **Learning Objectives**

1. Identify potential death taxes differentiating federal estate tax as it applies to various size estates, determine principal taxes that impact how individuals are taxed at death, and specify the expiration of the death tax credit.
2. Determine the taxable estate under §2501 and what assets are included in a gross estate using basic categories of property and transfers.
3. Specify estate deductions allowed under federal estate tax law and their tax advantages and disadvantages.
4. Determine the value a decedent's assets using permitted elections, recognize the use of the Form 706 to pay any estate tax due, and identify the tax basis of estate assets noting how common transactions affect property basis under §1014.
5. Recognize the advantages of gift planning including estate reduction noting the impact of the GST, specify the steps to compute gift tax identifying the gift tax exclusion amount, and determine the value of different types of gifts including split gifting for spouses.
6. Identify the various gift tax exclusions, and the treatment of below-market loans, cite the gift tax marital deduction requirements, specify the tax consequences of giving various assets noting factors to consider when gifting, and recognize the use of the Form 709 to compute and pay federal gift tax.

After studying the materials in Chapter 2, answer the exam questions 22 to 59.

#### **ASSIGNMENT**

#### **SUBJECT**

#### **Chapter 3**

#### **Plans, Devices & Techniques**

At the start of Chapter 3, participants should identify the following topics for study:

- \* Disposition of property without a will
- \* Disposition of property with a will
- \* Joint tenancies & tenancies in common
- \* Retirement plans & IRAs & life insurance
- \* Gifts & payable on death accounts
- \* Transfers using a trust
- \* Annual gift tax exclusion & unlimited marital deduction
- \* Annuities & trusts
- \* Grantor retained income trusts
- \* Buy-sell agreements

#### **Learning Objectives**

After reading Chapter 3, participants will be able to:

1. Determine the distinctions between the process of property disposition within probate under a will and intestate succession noting the resulting impact on an estate and its beneficiaries.
2. Identify ways to make transfers outside the probate system including the use of a trust.
3. Specify special exclusions, deductions, and transfers to be used as estate-planning tools permitting clients to pass more wealth to heirs and save death taxes while retaining maximum control where possible.
4. Recognize how specialized trusts, valuations, and entities can reduce estate taxes, cite the advantages of the annual gift tax exclusion noting how it can provide a tax deduction or offer income, estate and gift tax savings.
5. Recognize a grantor retained income trust as an estate-planning device specifying the variations of this trust and their benefits to the grantor and beneficiaries.

After studying the materials in Chapter 3, answer the exam questions 60 to 80.

### **Notice**

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