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ADVANCED PRACTICES SYMPOSIUM

*The Feldman's-
G-3 Issues & Solutions*

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Poll ?-WHAT HAPPENS TO THE FEDERAL ESTATE TAX EXEMPTION AMOUNT IN 2026 UNDER CURRENT LAW?

- A. Reduced to an amount equivalent to pre- Taxpayer Relief Act level
- B. Revert to the 2017 level as adjusted for inflation
- C. Equal to calculated average resulting from 5 highest state estate tax exemption amounts
- D. None of the above



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3 PRIMARY ISSUES

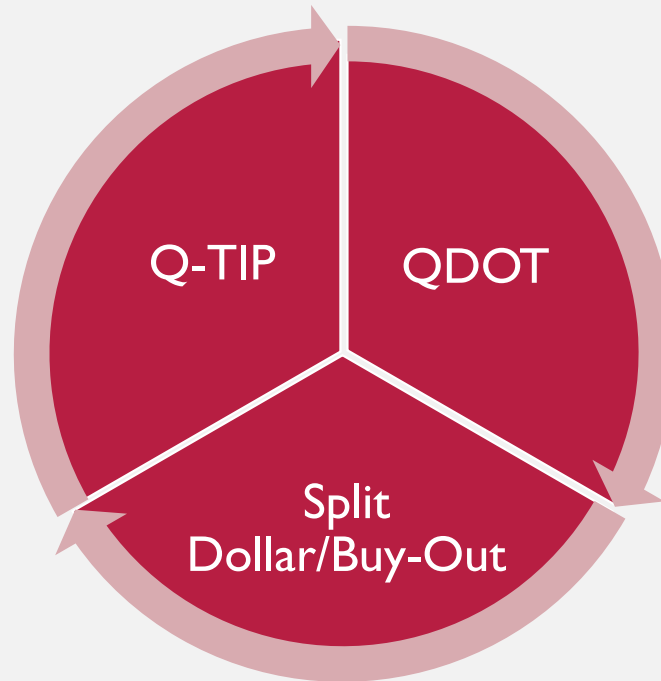
1. Estate Equity? *Children from Abel's previous marriages*
2. Noncitizen Spouse- *Solving the Maria Dilemma*
3. Executive Compensation & Buy-Out- *Crafting a Transfer to Hunter*



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3 POTENTIAL SOLUTIONS



THE ABEL DILEMMA



THE Q-TIP



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1. What's been done
2. What can be done now
3. What should be done shortly

THE Q-TIP



All income paid
annually to
surviving
spouse



Portion of estate
using marital
deduction



Trust assets paid
to Jacob
as beneficiary





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Whoops!



What About the
Inheritance Now?





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What Now Dad ?



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THE ABEL DILEMMA-PART 2



THE QDOT



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WHAT ABOUT MARIA?





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QDOT



QDOT PAIRED WITH A LIFE INSURANCE POLICY





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ILIT TO THE RESCUE



Trust beneficiaries



Owner & beneficiary
Life Insurance
policy



Donor
Insured



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POLL ?-PRIMARY ADVANTAGES OF AN ILIT ARE

- A. Removes life insurance death proceeds from insured's gross estate
- B. Provides grantors ability to control trust assets from the grave
- C. Both of the above
- D. None of the above



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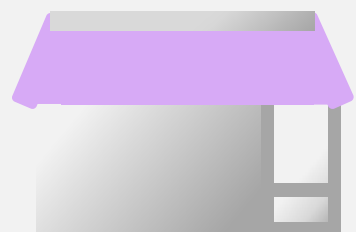
SYNERGY DILEMMA

EXECUTIVE
COMPENSATION
& BUY-OUT



DUAL EXECUTIVE REWARD (DER)

Step 1



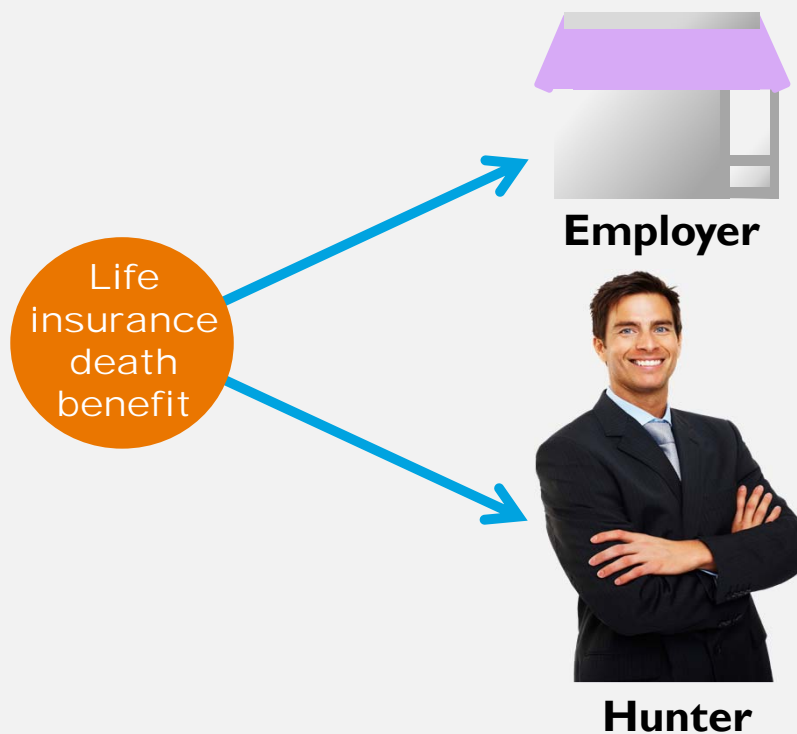
Synergy



Hunter

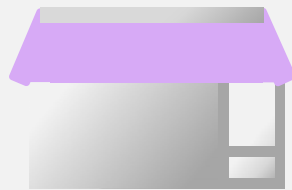
DUAL EXECUTIVE REWARD (DER)

Step 2



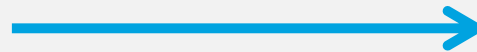
DUAL EXECUTIVE REWARD (DER)

Step 3



Synergy

After the service period



Tax Deductible Bonus

2½ months



Hunter



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POLL ?-AN ADVANTAGE OF ENDORSEMENT SPLIT DOLLAR IS?

- A. Allows employer with the “deep pockets” to subsidize cost of insurance policy on a key executive
- B. Perfect solution to remove death proceeds from insured’s estate
- C. Best way to confuse Home Office underwriters
- D. Splits the guaranteed from the investment component of a life insurance policy 50-50 every time



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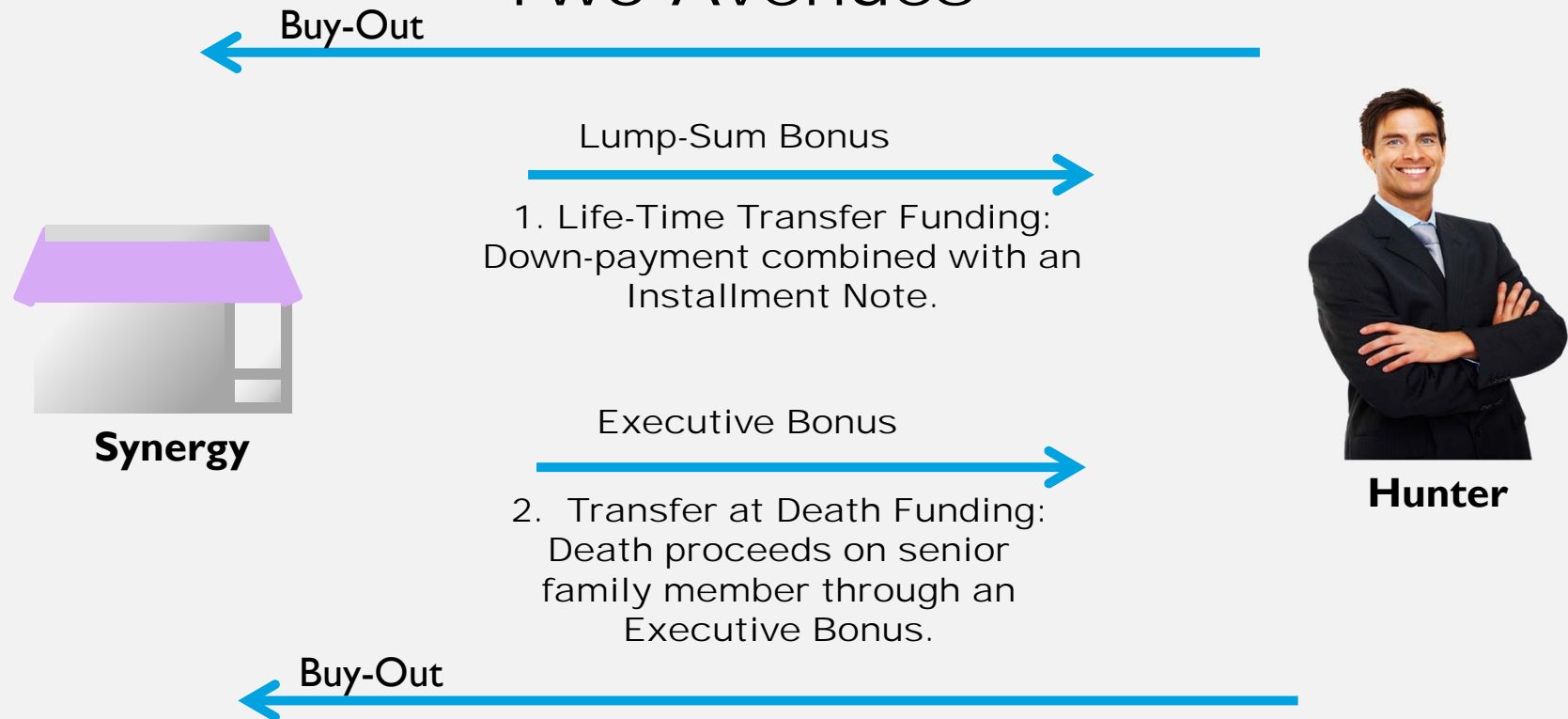


Hunter Obtain an Ownership Interest in Synergy?



ONE-WAY BUY SELL AGREEMENT

Two Avenues





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