ZENIKI WEALTH
EXPERT ADVICE AT A FAIR PRICE

Sample Estate Plan

John and Jane Doe

Executive Summary

for John Doe, age 62, and Jane Doe, age 62

Current Situation	vs	Proposed Strategy
Total to family after both deaths		Total to family after both deaths
$20,360,396		**$20,993,245**

Current Situation

Liquid Assets	$6,830,000
Retirement Plans	$1,150,000
Fixed Assets	$227,000
Residences	$1,380,000
Your total value if death occured today:	**$9,587,000**

Effects of Current Situation

Combined gross estate in 2043 (using provided rates of return)	$21,793,426
At John's death in 2043,	
Estimated taxes, expenses, probate, and debts	$33,229
At Jane's death in 2044,	
Estimated taxes, expenses, probate, and debts	$1,814,457
Income tax on income in respect of decedent[1]	$343,269
Shrinkage	$2,190,955
Total to family after both deaths	**$20,360,396**
Portion of the estate in 2044	90%

Proposed Strategy

Your Proposed Plan could provide the following after both deaths.

Gifts	$3,510,892
Family Trust	$9,187,155
Net Distributions to Heirs	$8,784,149
less: Income Tax on Income in Respect of Decedent	-$488,951
Total to family after both deaths	**$20,993,245**
Charitable: Trusts, Bequests, and Gifts	$237,611
Total to family and charity after both deaths	**$21,230,856**

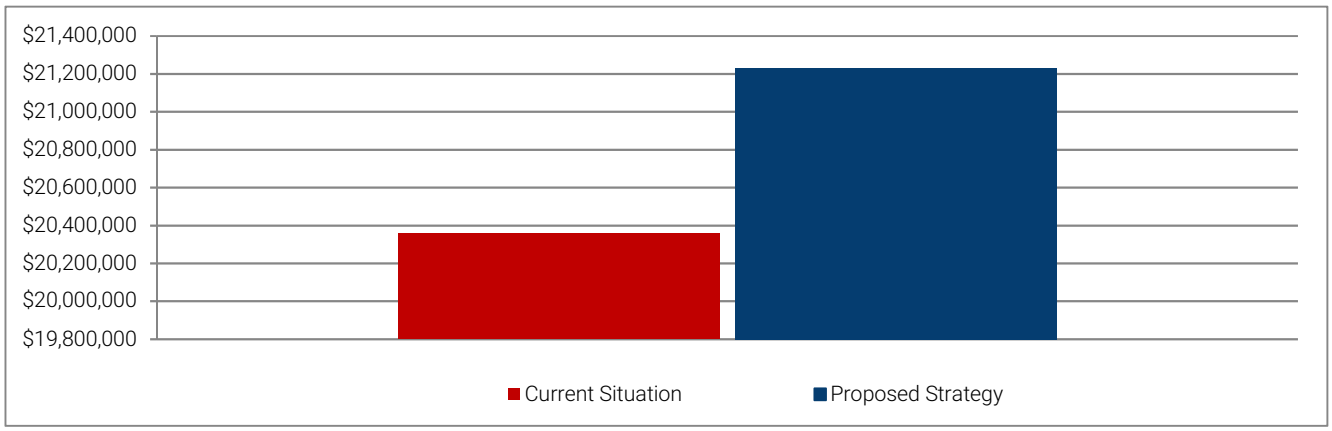
[1] Heirs must pay the tax on income in respect of decedent, usually associated with inheriting qualified retirement plan assets and annuities.

Executive Summary (Continued)

Planning Considerations

Issue	Action
1 Revocable trust, while well drafted, is missing several key provisions including trustee vacancy, gifting powers and beneficiary creditor protection provisions.	1 Meet with a qualified estate planning attorney to review the Revocable Trust Review checklist contained within this Report and update trust as necessary.
2 Durable powers of attorney are approximately 12 years old and risk non-acceptance by certain financial institutions.	2 Meet with a qualified estate planning attorney to draft and execute new durable powers of attorney.
3 Health care powers of attorney are missing essential HIPAA provisions and require immediate attention.	3 Meet with a qualified estate planning attorney to draft and execute new health care powers of attorney.
4 Revocable trust provides for charitable gift to be distributed to specific charitable beneficiary. However, gift is not currently designed in a tax efficient manner.	4 Consider removal of charitable gift provision from revocable trust and instead name charity as a partial beneficiary of qualified retirement accounts/IRAs to maximize tax efficiency of gift.
5 Projected estate value significantly exceeds projected estate tax exemption at life expectancy, potentially subjecting estate to significant estate taxation.	5 Consider implementation of a gifting program maximizing annual exclusion gifts to remove gift value, plus future growth and appreciation, from the taxable estate.
6 Based on the information provided, it appears many assets are not properly funded to the revocable trust, and would therefore be subject to the unnecessary costs and delays associated with the probate process upon death.	6 Meet with a qualified estate planning attorney and review titling of all assets. Fund assets to trust as needed.

How Much Will You Leave For Your Heirs and Charity?



$870,460 or 4.28% MORE TO YOUR HEIRS!

Fiduciary Appointments

Appointments Under Current Plan

Revocable Trust

Primary	John and Jane Doe, or the Survivor of Them
Successor	Bob Doe
2nd Successor	Jack Doe
3rd Successor	Fiduciary Trust Company
4th Successor	-

Last Will and Testament

	John	Jane
Executor	Jane Doe	John Doe
1st Alternate	Bob Doe	Bob Doe
2nd Alternate	Jack Doe	Jack Doe
3rd Alternate	-	-
4th Alternate	-	-

Durable Power of Attorney

	John	Jane
Attorney in Fact	Jane Doe	John Doe
1st Alternate	Bob Doe	Bob Doe
2nd Alternate	Jack Doe	Jack Doe
3rd Alternate	-	-
4th Alternate	-	-

Health Care Power of Attorney

	John	Jane
Agent	Jane Doe	John Doe
1st Alternate	Bob Doe	Bob Doe
2nd Alternate	Jack Doe	Jack Doe
3rd Alternate	-	-
4th Alternate	-	-

Beneficiary Trusts

	John	Jane
Primary	Bob Doe	
Successor	Jack Doe	
2nd Successor	Fiduciary Trust Company	
3rd Successor	-	
4th Successor	-	

Irrevocable Trust

	John	Jane
Primary		
Successor		
2nd Successor	Documents Not Provided	
3rd Successor		
4th Successor		

Revocable Trust Review

1. Includes sufficient trust identification including specific trust name	✓
2. Provides for reliance upon certification of trust	X
3. Provides for amendment and revocation of trust	✓
4. Provides specific family information for identification purposes	✓
5. Provides for after-born children	✓
6. Includes provisions for resignation of a trustee	✓
7. Includes incapacity trustee appointment provisions	✓
8. Includes death trustee appointment provisions	✓
9. Includes trustee removal provisions	✓
10. Includes trustee vacancy provisions if no named trustee can act	X
11. Authorizes a trustee to appoint a co-trustee	✓
12. Authorizes appointment of an independent special trustee	X
13. Provides definition of incapacity without court intervention	✓
14. Provides for distributions from trust upon Grantor's incapacity to Grantor	✓
15. Provides for distributions from trust upon Grantor's incapacity to family	✓
16. Includes trustee's gifting powers upon Grantor's incapacity	X
17. Includes provisions for payment of expenses and taxes upon death	✓
18. Includes restrictions on payments from qualified retirement plans	✓
19. Includes specific provisions relating to payment of estate taxes from trust	✓
20. Authorizes trustee to make tax elections coordinated with personal representative	✓
21. Authorize Trustee to Create GST Exempt & Non-Exempt Shares	✓
22. Provides for tangible personal property to be distributed in separate writing	✓
23. Provides for distribution of remaining tangible personal property	✓
24. Includes estate tax planning provisions	✓
25. Tax planning marital share provides distribution of all income to spouse	✓
26. Tax planning marital share provides flexibility to spouse to access assets for needs	✓
27. Provides for protection of assets for children upon spouse's remarriage	X
28. Tax planning family share provides flexibility to spouse to access assets for needs	✓
29. Tax planning family share provides flexibility to family to access assets for needs	✓
30. Trust prevents assets from being used to satisfy a trustee's legal obligation	✓
31. Provides for distribution upon death of Grantor and Grantor's spouse	✓
32. Provides for "common trust" to treat children according to need, not equality	N/A
33. Protects beneficiary's inheritance from bankruptcy, divorce, lawsuits & creditors	X
34. Provides contingent distribution if a beneficiary is deceased	✓

Revocable Trust Review

35.	Provides remote contingent distribution if no named beneficiaries are living	✓
36.	Provides for distributions for underage or incapacitated beneficiaries	✓
37.	Provides for retirement plans and life insurance policies payable to the trust	✓/X
38.	Provides for trustee compensation	✓
39.	Authorizes trustee to employ professionals to advise/assist trustee	✓
40.	Includes provisions requiring trust accounting at least annually	✓
41.	Provides for decision making if more than one trustee is acting	✓
42.	Provides for delegation of power exercise by trustee to co-trustee	X
43.	Authorizes trustee to merge or sever trusts	✓
44.	Authorizes trustee to terminate trusts	✓
45.	Authorizes trustee to pay funeral expenses or other debts of deceased beneficiary	✓
46.	Includes comprehensive trustee powers	✓
47.	Includes spendthrift provision restricting beneficiary's right to transfer interest in trust	✓
48.	Provides for removal of spouse as trustee and beneficiary upon divorce or annulment	X
49.	Provides comprehensive definitions	✓

IMPORTANT NOTES

2 Trust does not provide for reliance upon a trust certification. Providing for such reliance is suggested to ensure a full copy of the trust is not required when requested from a non-beneficiary.

10 The trust does not provide trustee vacancy provisions. Without such a provision, the probate court must generally be involved to appoint a trustee if no named trustee can act.

12 The trust does not authorize the appointment of an independent special trustee. Appointing such a trustee is important to provide flexibility in the trust administration process.

16 The trust does not authorize gifting upon the Grantor's incapacity. Such a provision is useful to continue a gifting program already established by Grantor or for tax planning purposes.

27 The trust does not provide protection of trust assets upon the spouse's remarriage. Such a provision can preserve trust principal for trust beneficiaries.

33 The trust does not protect a beneficiary's inheritance from creditors and divorcing spouses. If creditor protection for beneficiaries is a planning objective, such provisions should be included.

37 The trust does not properly provide for retirement plans payable to the trust. This could lead to unintended income tax liability associated with retirement plans.

42 The trust does not authorize delegation among co-trustees. This can place undue burden on trustees if all trustees must sign and agree for each and every action on behalf of the trust.

48 The trust does not provide for removal of spouse as trustee and beneficiary upon divorce. Such a provision limits the necessity for a trust amendment upon divorce.

Major Differences

Comparing Current Situation to Strategic Alternative Scenario

The complete analyses of scenarios being compared should be reviewed for differences. The chart below shows the differences in these two scenarios. The Assumptions page and the Additional Details page can provide more details for the items included within a scenario.

	Current Situation	Strategic Alternative
IRA - IRA		
Disposition At Death	Rollover To Spouse	Net To Charity
Expenses		
Gift Expense - Annual Gifting	Not included	Exists
Gift Expense - Annual Gifting	Not included	Exists
Estate Assumptions		
John's Will		
Use Living Trust	No	Yes
Jane's Will		
Use Living Trust	No	Yes

Summary of Values

Your Current Plan

Total Value if Death Today: $11,587,000

Total Values Today	$9,587,000
Values from Prior Planning	$2,000,000
Total Value if Death Today[1]	**$11,587,000**

Assets

For estate planning purposes, assets can be categorized by their availability to pay taxes and expenses at death. Availability of assets depends on two things:

1. Ownership—the title to the asset determines how it passes at death.
2. Type of Asset—certain assets can be converted to cash more quickly than others.

	John	Jane	Joint	Total
Liquid Assets				
Checking Account			$73,000	$73,000
Savings Account			$126,000	$126,000
Money Market Account			$312,000	$312,000
Investment Account	$677,000			$677,000
Investment Account	$5,153,000			$5,153,000
Investment Account		$489,000		$489,000
Retirement Plans				
IRA		$131,000		$131,000
IRA	$800,000			$800,000
Roth IRA		$87,000		$87,000
Roth IRA	$132,000			$132,000
Fixed Assets				
Household Contents			$150,000	$150,000
Motor Vehicle			$32,000	$32,000
Motor Vehicle			$45,000	$45,000
Residences				
Personal Residence			$900,000	$900,000
Florida Home			$480,000	$480,000
Total Values Today	**$6,762,000**	**$707,000**	**$2,118,000**	**$9,587,000**

Values from Prior Planning

Your prior planning affects the values your heirs will receive if you were to die today.

Life Insurance on John[2]	$1,500,000
Life Insurance on Jane[2]	$500,000
Prior Planning Total	**$2,000,000**

[1] Includes values that may not be part of taxable estate.
[2] May be in the estate if death today based on ownership and beneficiary designations.

Your Current Plan Today

Total Value of Assets

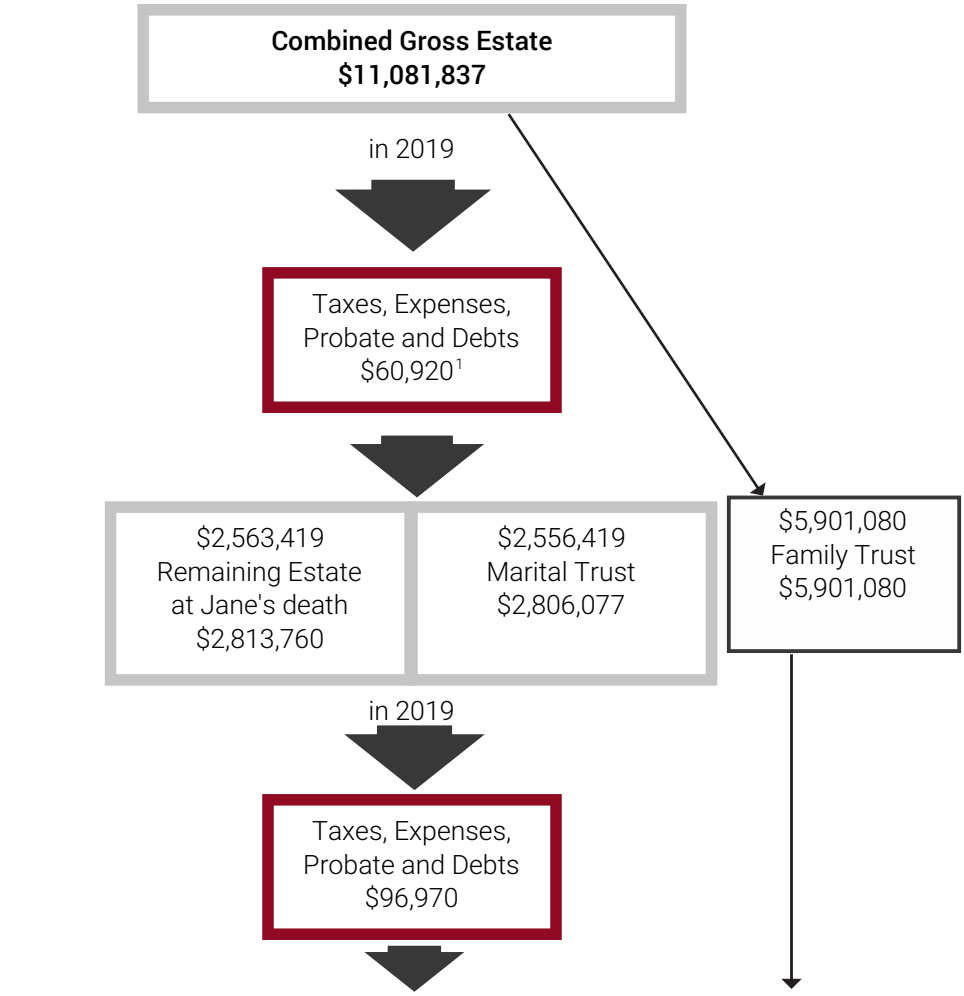
This analysis assumes that both John and Jane die today. The total value of your assets today considers your income as well as the portion of existing assets used to provide the spending patterns detailed in the assumptions.

	John's Assets	Jane's Assets
Values at Death Today	**$7,821,000**	**$1,766,000**
Adjustments at John's Death		
Cash Flow Adjustment	-$2,581	-$2,581
Life Insurance in Estate[1]	$1,500,000	
Estate Total in 2019	$9,318,419	$1,763,419
Combined Estate Total	**$11,081,837**	

[1] Incidents of ownership or beneficiary designation cause inclusion of death proceeds in the estate.

Your Current Plan Today

John Dies in 2019, Jane Dies in 2019



[1] Debts of $40,920 are deductible for estate tax calculations even though some of these debts were not paid but transferred to the surviving spouse.

Your Current Plan Today

Explanation of Values on Flowchart

At John's Death in 2019

Combined Gross Estate

The Combined Gross Estate is $11,081,837. Included are assets owned by John and Jane plus life insurance of $1,500,000 with ownership such that the death proceeds are considered as part of the estate at John's death.

Taxes, Expenses, Probate and Debts

Tentative Tax Base (after expenses, deductions and adjustments): $5,901,080 [1]

Federal Estate Tax before Credits	$2,306,232	
Applicable Unified Credit[2]	$4,505,800	
Missouri State Tax	$0	
Total Net Taxes Due		**$0**

Remaining Estate

Jane's Assets at John's death	$1,763,419	
plus Other Funds (Net Inheritance)	$800,000	
Remaining Estate at John's death		**$2,563,419**
includes IRA Rollover of $800,000		

Marital Trust

At John's death, a Marital Trust is created. The trust is valued at $2,556,419. With growth at assumed rates, the Marital Trust is worth $2,806,077 at Jane's death.

Family Trust

A Family Trust is established at John's death, using assets valued at $5,901,080. With growth at assumed rates, the Family Trust is worth $5,901,080 at Jane's death.

At Jane's Death in 2019

Remaining Estate at Jane's death in 2019 **$2,813,760**

with growth at assumed rates

Taxes, Expenses, Probate and Debts[1]

Tentative Tax Base (after expenses, deductions and adjustments): $5,522,867

Federal Estate Tax before Credits	$2,154,947

[1] See the Estate Calculations page for further details on expenses and deductions.

[2] The Tax Cuts and Jobs Act of 2017 provides for an Applicable Exclusion amount of $10,000,000, indexed for inflation after 2011. The Basic Unified Credit is $3,945,800, indexed for inflation after 2011. For deaths after December 31, 2025, the Applicable Exclusion Amount will revert to $5,000,000 indexed for inflation after 2011. Unused Applicable Exclusion amounts may be passed to the surviving spouse ('portability'), provided an election is made on a timely filed estate tax return of the deceased spouse (DSUEA). The Applicable Unified Credit amount is the Basic Unified Credit plus 40% of the DSUEA used at death, if any.

Taxes, Expenses, Probate and Debts[1]

Applicable Unified Credit[2]	$6,705,368	
Missouri State Tax	$0	
Total Net Taxes Due		**$0**
less Income Tax on Income in Respect of Decedent	-$325,850	

Summary of Total Distributions to Heirs and Others

Values at Second Death	
Total Net Distributions to Family	**$11,098,097**
Total Distributions to Family and Charity	**$11,098,097**

[1] See the Estate Calculations page for further details on expenses and deductions.

[2] The Tax Cuts and Jobs Act of 2017 provides for an Applicable Exclusion amount of $10,000,000, indexed for inflation after 2011. The Basic Unified Credit is $3,945,800, indexed for inflation after 2011. For deaths after December 31, 2025, the Applicable Exclusion Amount will revert to $5,000,000 indexed for inflation after 2011. Unused Applicable Exclusion amounts may be passed to the surviving spouse ('portability'), provided an election is made on a timely filed estate tax return of the deceased spouse (DSUEA). The Applicable Unified Credit amount is the Basic Unified Credit plus 40% of the DSUEA used at death, if any.

Your Current Plan

Projected Growth of Assets

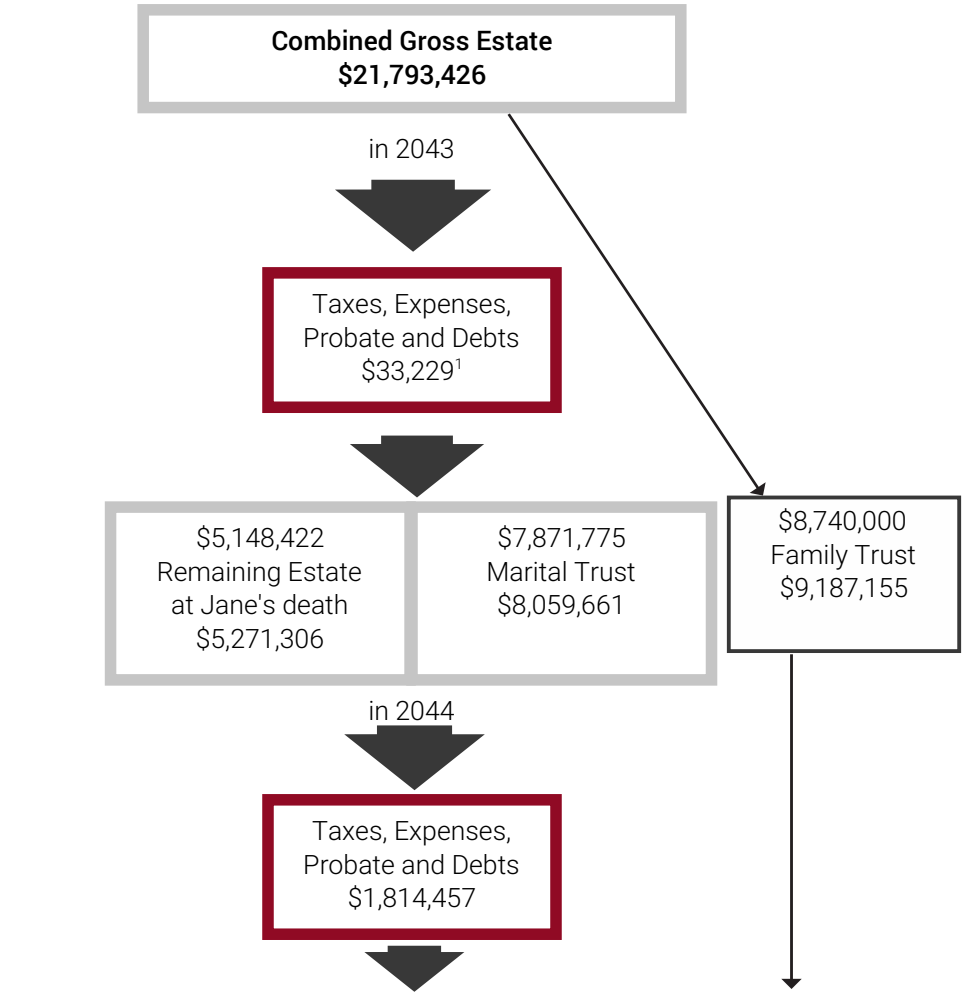
Total Vaue Today	John's Assets Today	Jane's Assets Today
$9,587,000	**$7,821,000**	**$1,766,000**

This analysis assumes that John dies in 24 years and Jane dies 1 year later. The growth of your assets until death considers your income as well as the portion of existing assets used to provide the spending patterns detailed in the assumptions.

			ASSET VALUES			
End of Year	**Expected Income**	**Total Outgoing Payments**	**Change in Assets**	**End of Year Asset Values**	**John's Assets**	**Jane's Assets**
2019	$177,919	$186,733	$268,407	$9,855,407	$8,059,878	$1,795,529
2020	305,004	332,262	469,150	10,324,557	8,482,383	1,842,174
2021	254,170	336,887	441,649	10,766,206	8,902,414	1,863,792
2022	3,018	251,607	304,142	11,070,348	9,265,643	1,804,704
2023	61,452	251,474	392,233	11,462,581	9,670,094	1,792,487
2024	75,070	261,598	421,063	11,883,644	10,020,640	1,863,004
2025	76,422	293,722	412,742	12,296,386	10,359,238	1,937,148
2026	77,797	304,926	425,992	12,722,378	10,707,254	2,015,123
2027	133,597	308,374	448,118	13,170,496	11,060,049	2,110,447
2028	138,189	345,207	436,286	13,606,782	11,416,899	2,189,883
2029	142,988	351,426	456,205	14,062,987	11,790,014	2,272,973
2030	148,003	359,043	475,848	14,538,835	12,178,938	2,359,897
2031	153,245	368,530	494,698	15,033,533	12,582,688	2,450,844
2032	158,725	378,601	514,066	15,547,598	13,001,586	2,546,012
2033	164,145	389,055	534,194	16,081,793	13,436,339	2,645,454
2034	170,068	399,679	555,354	16,637,147	13,887,431	2,749,716
2035	175,938	410,840	577,219	17,214,367	14,355,669	2,858,697
2036	181,974	421,638	600,784	17,815,151	14,842,344	2,972,806
2037	188,236	432,288	625,920	18,441,071	15,348,737	3,092,334
2038	194,728	443,196	652,295	19,093,366	15,875,809	3,217,557
2039	201,452	454,430	679,912	19,773,277	16,424,509	3,348,769
2040	208,413	466,008	708,824	20,482,102	16,995,824	3,486,278
2041	214,945	477,945	739,096	21,221,198	17,591,118	3,630,080
2042	221,512	490,022	771,042	21,992,239	18,211,378	3,780,862
			Values at John's death		**$18,211,378**	**$3,780,862**
			Adjustments at John's Death			
			Cash Flow Adjustment		-$148,634	-$50,179
			Estate Total in 2043		$18,062,743	$3,730,683
			Combined Estate Total			**$21,793,426**

Your Current Plan

John Dies in 2043, Jane Dies in 2044



Family Trust	$9,187,155
Net Distributions to Heirs	$11,516,510
less: Income Tax on Income in Respect of Decedent	-$343,269
Total to Family	**$20,360,396**

[1] Debts of $13,229 are deductible for estate tax calculations even though some of these debts were not paid but transferred to the surviving spouse.

Your Current Plan

Explanation of Values on Flowchart

At John's Death in 2043

Combined Gross Estate

The Combined Gross Estate is $21,793,426. Included are assets owned by John and Jane.

Taxes, Expenses, Probate and Debts

Tentative Tax Base (after expenses, deductions and adjustments): $8,740,000 [1]

Federal Estate Tax before Credits	$3,441,800	
Applicable Unified Credit[2]	$3,441,800	
Missouri State Tax	$0	
Total Net Taxes Due		**$0**

Remaining Estate

Jane's Assets at John's death	$3,730,683	
plus Other Funds (Net Inheritance)	$1,417,739	
Remaining Estate at John's death		**$5,148,422**
includes IRA Rollover of $1,417,739		

Marital Trust

At John's death, a Marital Trust is created. The trust is valued at $7,871,775. With growth at assumed rates, the Marital Trust is worth $8,059,661 at Jane's death.

Family Trust

A Family Trust is established at John's death, using assets valued at $8,740,000. With growth at assumed rates, the Family Trust is worth $9,187,155 at Jane's death.

At Jane's Death in 2044

Remaining Estate at Jane's death in 2044 **$5,271,306**

with growth at assumed rates

Taxes, Expenses, Probate and Debts[1]

Tentative Tax Base (after expenses, deductions and adjustments): $13,260,850

Federal Estate Tax before Credits	$5,250,140	
Applicable Unified Credit[2]	$3,505,800	
Missouri State Tax	$0	
Total Net Taxes Due		**$1,744,340**
less Income Tax on Income in Respect of Decedent	-$343,269	

[1] See the Estate Calculations page for further details on expenses and deductions.

[2] The Tax Cuts and Jobs Act of 2017 provides for an Applicable Exclusion amount of $10,000,000, indexed for inflation after 2011. The Basic Unified Credit is $3,945,800, indexed for inflation after 2011. For deaths after December 31, 2025, the Applicable Exclusion Amount will revert to $5,000,000 indexed for inflation after 2011. Unused Applicable Exclusion amounts may be passed to the surviving spouse ('portability'), provided an election is made on a timely filed estate tax return of the deceased spouse (DSUEA). The Applicable Unified Credit amount is the Basic Unified Credit plus 40% of the DSUEA used at death, if any.

Summary of Total Distributions to Heirs and Others

Values at Second Death

Total Net Distributions to Family	**$20,360,396**
Total Distributions to Family and Charity	**$20,360,396**

Effects of Additional Planning

Projected Growth of Assets

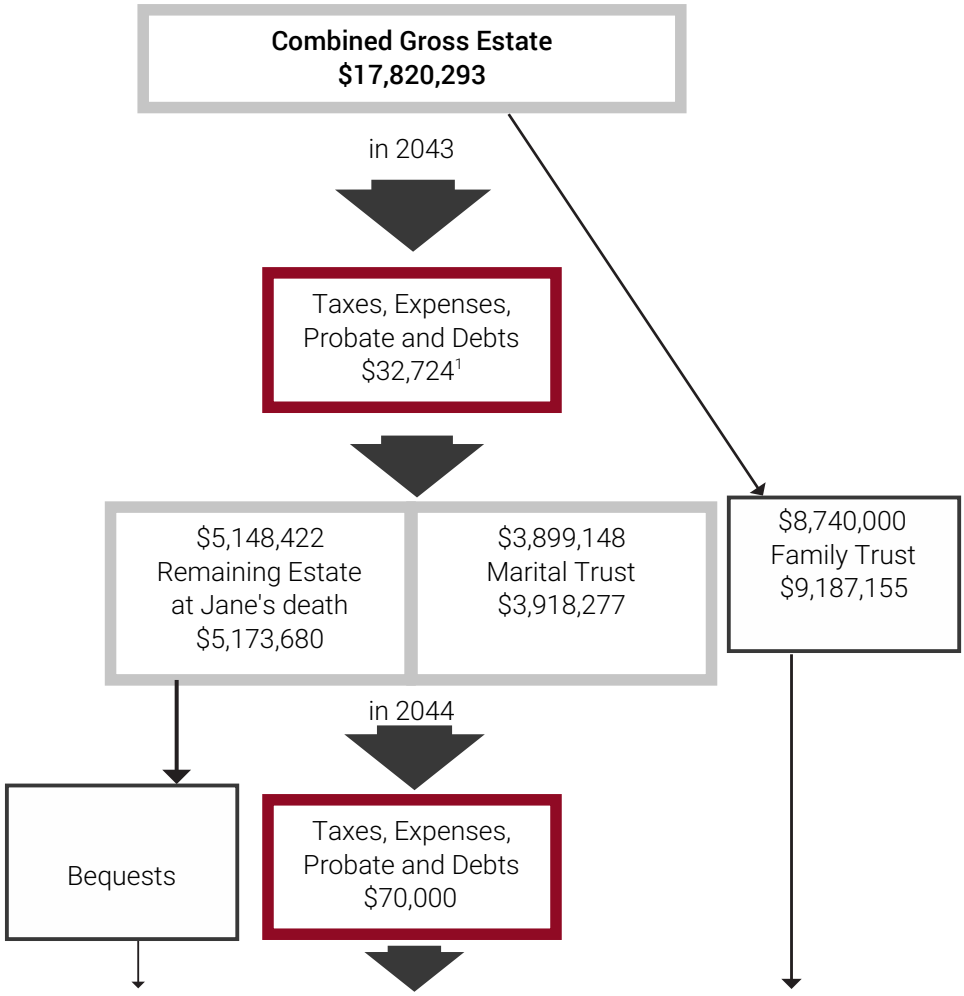
Total Vaue Today	John's Assets Today	Jane's Assets Today
$9,587,000	**$7,821,000**	**$1,766,000**

This analysis assumes that John dies in 24 years and Jane dies 1 year later. The growth of your assets until death considers your income as well as the portion of existing assets used to provide the spending patterns detailed in the assumptions.

			ASSET VALUES			
End of Year	**Expected Income**	**Total Outgoing Payments**	**Change in Assets**	**End of Year Asset Values**	**John's Assets**	**Jane's Assets**
2019	$177,919	$246,733	$208,106	$9,795,106	$8,029,727	$1,765,379
2020	305,004	392,158	408,350	10,203,456	8,421,832	1,781,623
2021	254,170	396,572	380,449	10,583,905	8,811,263	1,772,642
2022	3,018	315,080	237,728	10,821,633	9,096,230	1,725,403
2023	61,452	328,424	300,564	11,122,197	9,329,709	1,792,487
2024	75,070	364,482	293,731	11,415,927	9,552,923	1,863,004
2025	76,422	378,238	297,246	11,713,174	9,776,026	1,937,148
2026	77,797	384,810	308,452	12,021,626	10,006,503	2,015,123
2027	133,597	383,668	328,369	12,349,995	10,239,548	2,110,447
2028	138,189	423,439	306,354	12,656,349	10,466,467	2,189,883
2029	142,988	430,689	317,390	12,973,739	10,700,766	2,272,973
2030	148,003	439,173	327,788	13,301,527	10,941,630	2,359,897
2031	153,245	452,092	334,235	13,635,763	11,184,918	2,450,844
2032	158,725	461,966	344,184	13,979,946	11,433,934	2,546,012
2033	164,145	471,579	355,006	14,334,952	11,689,498	2,645,454
2034	170,068	485,218	362,336	14,697,288	11,947,572	2,749,716
2035	175,938	495,965	373,057	15,070,345	12,211,648	2,858,697
2036	181,974	505,734	385,457	15,455,802	12,482,996	2,972,806
2037	188,236	519,206	394,798	15,850,600	12,758,266	3,092,334
2038	194,728	529,496	407,958	16,258,558	13,041,001	3,217,557
2039	201,452	543,487	418,107	16,676,665	13,327,896	3,348,769
2040	208,413	554,296	432,123	17,108,787	13,622,509	3,486,278
2041	214,945	564,820	447,283	17,556,070	13,925,990	3,630,080
2042	221,512	579,312	459,273	18,015,343	14,234,482	3,780,862
			Values at John's death		**$14,234,482**	**$3,780,862**
			Adjustments at John's Death			
			Cash Flow Adjustment		-$144,872	-$50,179
			Estate Total in 2043		$14,089,610	$3,730,683
			Combined Estate Total			**$17,820,293**

Effects of Additional Planning

John Dies in 2043, Jane Dies in 2044



Gifts	$3,510,892
Family Trust	$9,187,155
Net Distributions to Heirs	$8,784,149
less: Income Tax on Income in Respect of Decedent	-$488,951
Total to Family	$20,993,245
Charitable: Trusts, Bequests, and Gifts	$237,611
Total Distributions to Family and Charity	$21,230,856

[1] Debts of $12,724 are deductible for estate tax calculations even though some of these debts were not paid but transferred to the surviving spouse.

Effects of Additional Planning

Explanation of Values on Flowchart

At John's Death in 2043

Combined Gross Estate

The Combined Gross Estate is $17,820,293. Included are assets owned by John and Jane.

Taxes, Expenses, Probate and Debts

Tentative Tax Base (after expenses, deductions and adjustments): $8,740,000 [1]

Federal Estate Tax before Credits	$3,441,800	
Applicable Unified Credit[2]	$3,441,800	
Missouri State Tax	$0	
Total Net Taxes Due		**$0**

Remaining Estate

Jane's Assets at John's death	$3,730,683	
plus Other Funds (Net Inheritance)	$1,417,739	
Remaining Estate at John's death		**$5,148,422**
includes IRA Rollover of $1,417,739		

Marital Trust

At John's death, a Marital Trust is created. The trust is valued at $3,899,148. With growth at assumed rates, the Marital Trust is worth $3,918,277 at Jane's death.

Family Trust

A Family Trust is established at John's death, using assets valued at $8,740,000. With growth at assumed rates, the Family Trust is worth $9,187,155 at Jane's death.

At Jane's Death in 2044

Remaining Estate at Jane's death in 2044 **$5,173,680**

with growth at assumed rates

Taxes, Expenses, Probate and Debts[1]

Tentative Tax Base (after expenses, deductions and adjustments): $8,784,345

Federal Estate Tax before Credits	$3,459,538	
Applicable Unified Credit[2]	$3,505,800	
Missouri State Tax	$0	
Total Net Taxes Due		**$0**
less Income Tax on Income in Respect of Decedent	-$488,951	

[1] See the Estate Calculations page for further details on expenses and deductions.

[2] The Tax Cuts and Jobs Act of 2017 provides for an Applicable Exclusion amount of $10,000,000, indexed for inflation after 2011. The Basic Unified Credit is $3,945,800, indexed for inflation after 2011. For deaths after December 31, 2025, the Applicable Exclusion Amount will revert to $5,000,000 indexed for inflation after 2011. Unused Applicable Exclusion amounts may be passed to the surviving spouse ('portability'), provided an election is made on a timely filed estate tax return of the deceased spouse (DSUEA). The Applicable Unified Credit amount is the Basic Unified Credit plus 40% of the DSUEA used at death, if any.

Value of Other Items at Second Death

Charitable Bequests	$237,611
Gifts (not including life insurance premiums)	$3,510,892

Summary of Total Distributions to Heirs and Others

Values at Second Death		
Total Net Distributions to Family		**$20,993,245**
Charitable Bequests	$237,611	
Total Charitable Trusts, Bequests and Gifts		**$237,611**
Total Distributions to Family and Charity		**$21,230,856**

Estate Calculations at First Death

John Dies First in 2043

Estate at John's Death in 2043	Current Plan	Proposed Plan
A Net Estate	**$18,049,514**	**$14,076,886**
John's Gross Estate	$18,062,743	$14,089,610
less Liabilities	-$13,229	-$12,724
Net Estate	$18,049,514	$14,076,886
B Total Expenses	**$20,000**	**$20,000**
Final Expenses	$20,000	$20,000
Total Expenses	$20,000	$20,000
C Adjusted Gross Estate (A-B)	**$18,029,514**	**$14,056,886**
D Total Deductions	**$9,289,514**	**$5,316,886**
Marital Deduction	$9,289,514	$5,316,886
Includes Marital Trust	$7,871,775	$3,899,148
E Total Additions	**$0**	**$0**
F Tentative Tax Base (C-D+E)	**$8,740,000**	**$8,740,000**
G Total Net Taxes Due	**$0**	**$0**
Federal Estate Tax before Credits	$3,441,800	$3,441,800
less Applicable Unified Credit[1]	-$3,441,800	-$3,441,800
State Tax	$0	$0
Total Net Taxes Due	$0	$0
H Distributions at John's Death (C-G)	**$18,029,514**	**$14,056,886**

[1] The Tax Cuts and Jobs Act of 2017 provides for an Applicable Exclusion amount of $10,000,000, indexed for inflation after 2011. The Basic Unified Credit is $3,945,800, indexed for inflation after 2011. For deaths after December 31, 2025, the Applicable Exclusion Amount will revert to $5,000,000 indexed for inflation after 2011. Unused Applicable Exclusion amounts may be passed to the surviving spouse ('portability'), provided an election is made on a timely filed estate tax return of the deceased spouse (DSUEA). The Applicable Unified Credit amount is the Basic Unified Credit plus 40% of the DSUEA used at death, if any.

Estate Transferred to Heirs

John Dies First in 2043

Distributions at John's Death in 2043	Current Plan	Proposed Plan
John's Gross Estate	**$18,062,743**	**$14,089,610**
less Liabilities	-$13,229	-$12,724
less Total Expenses	-$20,000	-$20,000
less Total Net Taxes Due	-$0	-$0
After Tax Estate	**$18,029,514**	**$14,056,886**
Reduction after Taxes and Expenses	**0%**	**0%**
Distributions of Estate Assets		
John's Bequests	$0	$0
Marital Deduction	$9,289,514	$5,316,886
Includes Marital Trust	$7,871,775	$3,899,148
Family Trust	$8,740,000	$8,740,000
Other Distributions		
Value of Gifts	$0	$3,294,957

Estate Calculations

Jane Dies Second in 2044

Estate at Jane's Death in 2044	Current Plan	Proposed Plan
A Net Estate	**$13,330,850**	**$9,091,957**
Jane's Gross Estate	$13,330,967	$9,091,957
less Liabilities	-$117	-$0
Includes Marital Trust	$8,059,661	$3,918,277
Net Estate	$13,330,850	$9,091,957
B Total Expenses	**$70,000**	**$70,000**
Probate and Administrative Fees	$50,000	$50,000
Final Expenses	$20,000	$20,000
Total Expenses	$70,000	$70,000
C Adjusted Gross Estate (A-B)	**$13,260,850**	**$9,021,957**
D Total Deductions	**$0**	**$237,611**
Charitable Bequests	$0	$237,611
E Total Additions	**$0**	**$0**
F Tentative Tax Base (C-D+E)	**$13,260,850**	**$8,784,345**
G Total Net Taxes Due	**$1,744,340**	**$0**
Federal Estate Tax before Credits	$5,250,140	$3,459,538
less Applicable Unified Credit[1]	-$3,505,800	-$3,505,800
State Tax	$0	$0
Total Net Taxes Due	$1,744,340	$0
H Income Tax on Income in Respect of Decedent	**$343,269**	**$488,951**
I Distributions at Jane's Death (C-G-H)	**$11,173,241**	**$8,533,006**

[1] The Tax Cuts and Jobs Act of 2017 provides for an Applicable Exclusion amount of $10,000,000, indexed for inflation after 2011. The Basic Unified Credit is $3,945,800, indexed for inflation after 2011. For deaths after December 31, 2025, the Applicable Exclusion Amount will revert to $5,000,000 indexed for inflation after 2011. Unused Applicable Exclusion amounts may be passed to the surviving spouse ('portability'), provided an election is made on a timely filed estate tax return of the deceased spouse (DSUEA). The Applicable Unified Credit amount is the Basic Unified Credit plus 40% of the DSUEA used at death, if any.

Estate Transferred to Heirs

Jane Dies Second in 2044

Distributions at Jane Death in 2044	Current Plan	Proposed Plan
Jane's Gross Estate	**$13,330,967**	**$9,091,957**
less Liabilities	-$117	-$0
less Total Expenses	-$70,000	-$70,000
less Total Net Taxes Due	-$1,744,340	-$0
less Income Tax on IRD	-$343,269	-$488,951
After Tax Estate	**$11,173,241**	**$8,533,006**
Reduction after Taxes and Expenses	**16%**	**6%**
Distribution of Estate Assets		
Jane's Bequests	$9,538,628	$6,898,393
Family Trust	$9,187,155	$9,187,155
Other Distributions		
Value of Gifts	$0	$3,510,892
Charitable Bequests	$0	$237,611
Other Transfers to Heirs	$1,634,613	$1,396,805
Total Estate Transferred	**$20,360,396**	**$21,230,856**
Increased Distributions to Heirs and Others from New Life Insurance and Additional Planning		**$870,460**

Assumptions

Current Plan Assumptions as of June 17, 2019

PERSONAL INFORMATION

John Doe	Jane Doe	Address	Contact Info
Age: 62	Age: 62		
Male	Female		
Born: Nov. 18, 1956	Born: Apr. 26, 1957		

John and Jane are married.

This analysis assumes that John dies in 24 years and Jane dies 1 year later.

No State Inheritance Tax assumed.

CHILDREN AND DEPENDENTS

Name	Date of Birth	Gender	Relationship	Dependent of
Adam Doe	Dec. 11, 1980	Male	Child	Not a Dependent
Elizabeth Doe	Jul. 14, 1984	Female	Child	Not a Dependent

SALARIES

Employer	Employee	Current Salary	Frequency	Inflation Rate
Employer	John	$25,417	Monthly	0.000%

CHECKING, SAVINGS, CDs

Account Name	Owner	Current Balance	Balance As Of	Interest Rate	
Checking Account	Jane, John	$73,000	Jun. 17, 2019	1.000%	This asset is the Cash Account
Savings Account	Jane, John	$126,000	Jun. 17, 2019	1.000%	
Money Market Account	Jane, John	$312,000	Jun. 17, 2019	1.000%	

MUTUAL FUNDS

					Rates		
Name/Symbol	Owner	Account Balance	Balance As Of	Basis	Qual. Div.	Cap. Gains	App.
Investment Account	John	$677,000	Jun. 17, 2019	$143,862	1.000%[1]	1.000%[1]	4.000%
Investment Account	John	$5,153,000	Jun. 17, 2019	$1,498,211	1.000%[1]	1.000%[1]	4.000%
Investment Account	Jane	$489,000	Jun. 17, 2019	$94,863	1.000%[1]	1.000%[1]	4.000%

IRAs

Name	Owner	Current Balance	Balance As Of	Growth Rate	Type
IRA	Jane	$131,000	Jun. 17, 2019	6.000%	Deductible
IRA	John	$800,000	Jun. 17, 2019	6.000%	Deductible
Roth IRA	Jane	$87,000	Jun. 17, 2019	6.000%	Roth
Roth IRA	John	$132,000	Jun. 17, 2019	6.000%	Roth

[1] Dividends are assumed to be reinvested in similar investments.

RESIDENCES

Personal Residence

Owner	Current Value	Balance As Of	Cost Basis	Appreciation Rate
Jane, John	$900,000	Jun. 17, 2019	$590,000	2.000%

Florida Home

Owner	Current Value	Balance As Of	Cost Basis	Appreciation Rate
Jane, John	$480,000	Jun. 17, 2019	$365,000	2.000%

PERSONAL PROPERTY

Name	Owner	Current Value	Value As Of	Basis	Growth Rate
Household Contents	Jane, John	$150,000	Jun. 17, 2019	$0	0.000%
Motor Vehicle	Jane, John	$32,000	Jun. 17, 2019	$0	0.000%
Motor Vehicle	Jane, John	$45,000	Jun. 17, 2019	$0	0.000%

LIFE INSURANCE–INDIVIDUAL

Name	Insured	Owner	Beneficiary	Face Amount	Premium	Frequency	Cash Value
Term Life Insurance Policy	John	John	Jane	$1,500,000	$3,200	Annual	$0
Term Life Insurance Policy	Jane	Jane	John	$500,000	$889	Annual	$0

ESSENTIAL LIVING EXPENSES

Description	Amount	Frequency	Inflation	Tax Deductible[1]	Percent Continuing after First Death	Percent Continuing after First Disability	Percent Continuing after First Retirement
General Living Expenses	$16,667	Monthly	2%	No	100%	100%	100%

Already started and ending after the illustration.

[1] Deductions for charitable contributions and medical/prescriptions are subject to limitations.

Assumptions

Proposed Plan Assumptions as of June 17, 2019

PERSONAL INFORMATION

John Doe	Jane Doe	Address	Contact Info
Age: 62	Age: 62		
Male	Female		
Born: Nov. 18, 1956	Born: Apr. 26, 1957		

John and Jane are married.

This analysis assumes that John dies in 24 years and Jane dies 1 year later.

No State Inheritance Tax assumed.

CHILDREN AND DEPENDENTS

Name	Date of Birth	Gender	Relationship	Dependent of
Adam Doe	Dec. 11, 1980	Male	Child	Not a Dependent
Elizabeth Doe	Jul. 14, 1984	Female	Child	Not a Dependent

SALARIES

Employer	Employee	Current Salary	Frequency	Inflation Rate
Employer	John	$25,417	Monthly	0.000%

CHECKING, SAVINGS, CDs

Account Name	Owner	Current Balance	Balance As Of	Interest Rate	
Checking Account	Jane, John	$73,000	Jun. 17, 2019	1.000%	This asset is the Cash Account
Savings Account	Jane, John	$126,000	Jun. 17, 2019	1.000%	
Money Market Account	Jane, John	$312,000	Jun. 17, 2019	1.000%	

MUTUAL FUNDS

					Rates		
Name/Symbol	Owner	Account Balance	Balance As Of	Basis	Qual. Div.	Cap. Gains	App.
Investment Account	John	$677,000	Jun. 17, 2019	$143,862	1.000%[1]	1.000%[1]	4.000%
Investment Account	John	$5,153,000	Jun. 17, 2019	$1,498,211	1.000%[1]	1.000%[1]	4.000%
Investment Account	Jane	$489,000	Jun. 17, 2019	$94,863	1.000%[1]	1.000%[1]	4.000%

IRAs

Name	Owner	Current Balance	Balance As Of	Growth Rate	Type
IRA	Jane	$131,000	Jun. 17, 2019	6.000%	Deductible
IRA	John	$800,000	Jun. 17, 2019	6.000%	Deductible
Roth IRA	Jane	$87,000	Jun. 17, 2019	6.000%	Roth
Roth IRA	John	$132,000	Jun. 17, 2019	6.000%	Roth

[1] Dividends are assumed to be reinvested in similar investments.

RESIDENCES

Personal Residence

Owner	Current Value	Balance As Of	Cost Basis	Appreciation Rate
Jane, John	$900,000	Jun. 17, 2019	$590,000	2.000%

Florida Home

Owner	Current Value	Balance As Of	Cost Basis	Appreciation Rate
Jane, John	$480,000	Jun. 17, 2019	$365,000	2.000%

PERSONAL PROPERTY

Name	Owner	Current Value	Value As Of	Basis	Growth Rate
Household Contents	Jane, John	$150,000	Jun. 17, 2019	$0	0.000%
Motor Vehicle	Jane, John	$32,000	Jun. 17, 2019	$0	0.000%
Motor Vehicle	Jane, John	$45,000	Jun. 17, 2019	$0	0.000%

LIFE INSURANCE–INDIVIDUAL

Name	Insured	Owner	Beneficiary	Face Amount	Premium	Frequency	Cash Value
Term Life Insurance Policy	John	John	Jane	$1,500,000	$3,200	Annual	$0
Term Life Insurance Policy	Jane	Jane	John	$500,000	$889	Annual	$0

GIFTS

Annual Gifting

Donor:	John	Growth Rate after Transfer:	5.000%
Eligible for Annual Exclusion?	Yes	Frequency of Gifts:	Annual
Number of Exclusions:	2.00		
Maximize Excl. Gifts Annually?	Yes		

Annual Gifting

Donor:	Jane	Growth Rate after Transfer:	5.000%
Eligible for Annual Exclusion?	Yes	Frequency of Gifts:	Annual
Number of Exclusions:	2.00		
Maximize Excl. Gifts Annually?	Yes		

ESSENTIAL LIVING EXPENSES

Description	Amount	Frequency	Inflation	Tax Deductible[1]	Percent Continuing after First Death	Percent Continuing after First Disability	Percent Continuing after First Retirement
General Living Expenses	$16,667	Monthly	2%	No	100%	100%	100%

Already started and ending after the illustration.

[1] Deductions for charitable contributions and medical/prescriptions are subject to limitations.

Additional Details

Your Proposed Plan

Calculations assume that John dies in 24 years and Jane dies 1 year later. John is age 62 and Jane is age 62.

John is eligible for Social Security benefits. John's Social Security benefits are estimated based on a ratio of salary to maximum benefits. John plans to take Social Security retirement benefits starting at age 66.

Jane is eligible for Social Security benefits. Jane's Social Security benefits are estimated based on a ratio of salary to maximum benefits. Jane plans to take Social Security retirement benefits starting at age 66.

John is a U.S. Citizen and Jane is a U.S. Citizen.

Tax Rates

The tax rates assumed for the proposed strategy are also used for the current situation so that the comparisons illustrate the effects of taxes on the estimated taxable income and the differences in the estate taxes. The objective of this presentation is to consider how the proposed strategy may affect the expenses and estate taxes at death.

Income Tax Rates

Federal Income Tax Rate: 25%
State Income Tax Rate: 6%

Other Rates

Capital Gains Tax Rate: 20%

Income Tax Rate for Income in Respect of a Decedent: 35%

General Inflation Rate: 2%

Inflation Rate for Federal Indexed Values: 1.8%
(used for gift exclusions, Social Security and Applicable Exclusion Amount)

An IRC Sec. 7520 rate of 3.0% is used to calculate the remainder interests for trusts, annuities and income in respect of decedent.

Income designated as Capital Gains Income is assumed to qualify for long-term capital gains treatment.

Calculations of short-term capital gains, adjusted net capital gain or qualified 5-year gain is beyond the scope of this analysis.

Prior Taxable Gifts

John:	Jane:
Prior Taxable Gifts: $0	Prior Taxable Gifts: $0
Gift Taxes Paid: $0	Gift Taxes Paid: $0

Growth Rates for Gifts, Bequests and Life Insurance Proceeds (Current Plan)

Growth Rates for Transfers to Others: 5.000%

Growth Rates for Transfers to Charities: 5.000%

Rates for Life Insurance Proceeds in Trust: 5.000%

Growth Rates for Gifts, Bequests and Life Insurance Proceeds (Proposed Plan)

Growth Rates for Transfers to Others: 5.000%

Growth Rates for Transfers to Charities: 5.000%

Rates for Life Insurance Proceeds in Trust: 5.000%

Probate and Expenses (Current Plan)

John:	Jane:
Final Expenses: $20,000	Final Expenses: $20,000

Probate and Expenses (Proposed Plan)

John:	Jane:
Final Expenses: $20,000	Final Expenses: $20,000

Tax Cuts and Jobs Act of 2017

The Tax Cuts and Jobs Act of 2017 was signed into law on December 22, 2017 as P.L. 115-97, also known as TCJA 2017 in this presentation. TCJA applies to deaths and gifts made in 2018 and later. After December 31, 2025, the estate and gift rates and exclusions will revert to the amounts provided in the American Taxpayer Relief Act of 2012.

The Tax Cuts and Jobs Act of 2017 provides for 'portability' of a deceased spouse's unused Applicable Exclusion Amount. Unused exclusion amounts may be passed to the surviving spouse (election must be made on timely filed estate tax return of the deceased spouse.) Calculations for deaths or gifts reflect the rates, exemptions, and other provisions (portability) within the Tax Cuts and Jobs Act of 2017.