Estate Preservation, Tax Planning,

and Asset Protection

For Cattlemen and Ranchers

Presented to the:

<u>For National Cattlemen's Beef Association</u>

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SUMMARY OF TOPICS

Estate Preservation, Tax Planning, and Asset Protection

- Estate Planning 101 – What and Why, the Basics?

  - Intestacy – no Will or Trust
  - Last Will & Testament
  - Powers of Attorney
  - Revocable Trusts
  - Irrevocable Trusts

- Estate Preservation and Taxes

  - Current Estate Tax Law: $2 million “exemption” and 45% estate tax rate
  - Impact on a $5 million ranch
  - Impact on a $10+ million ranch
  - Impact on a $50+ million ranch
  - Advanced estate planning tools:
    - Family Limited Partnerships
    - Intentionally Defective Grantor Trust
    - GRATS
    - Charitable tax planning
    - Conservation Easements

- Code Based Tax Planning

  - Qualified Pension Planning
  - Non-qualified tax planning
    - Section 79 retirement planning
    - Welfare Benefit Planning

- Asset Protection 101 – What and Why, the Basics?

  - Basic liability insurance coverage
    - Automobile and home coverage
    - Umbrella policy
  - Use of business entities:
    - Limited Liability Companies
    - General and Limited Partnerships
    - Corporations – C and S tax status
  - Family Limited Partnerships – for Asset Protection
  - Family Limited Partnerships and Offshore Trusts