

The Wealth Counselor

A monthly newsletter for wealth planning professionals

4 Times You Should Call an Estate Planning Attorney Right Away: Using Your Clients' Entire Financial Team Improves Results

From savings-building strategies to concerns about investments, financial advisors like you work closely with your clients throughout the year. As estate planning attorneys, we typically see those same clients far less often, but there are numerous circumstances where collaboration between us can help secure the best outcomes for our mutual clients.

It may not seem intuitive to loop in an estate planning attorney. After all, you offer comprehensive services to your clients. Why bring more cooks into the kitchen? The truth is, working collaboratively with estate planning attorneys can add significant value to your clients' outcomes.

Sustainable planning is a team sport

Think of a typical client of yours—let's call her Elizabeth. Like any fiscally responsible person, Elizabeth has put together an all-star team to help her reach her financial goals. On her team, every player has their role. The team works best when there's clear communication at every play. The team can rely on each other to assist when there is an opportunity to score extra points for Elizabeth.

4 situations to pick up the phone

We don't need to be in touch for every decision, but here are four situations where two heads are definitely better than one. Give us a call when you run across any of these scenarios.

1. High-growth assets

What about that high-growth asset that's just about to pop up in value tomorrow? Maybe it's

From

Condie & Adams, PLLC

611 4th Avenue, Suite A

Kirkland WA 98033

425-450-1040

Condie & Adams, PLLC is a values-driven law firm committed to providing individuals, families and small businesses with personalized, client-centered legal services in estate planning, probate and trust administration, tax planning, and related legal matters.



founder's stock, a private placement that's about to go public, an art collection that's suddenly spiked in demand, or something else entirely. Wealth can change overnight, and Elizabeth's financial plan must be flexible enough to allow for room to grow.

How we can help: With the help of an estate planning attorney, Elizabeth could sign onto an incomplete non-grantor trust that would organize her state and federal tax liabilities into separate entities. This way, her high-growth asset could be managed under the trust in a state with favorable income tax laws. That means that when Elizabeth does decide to sell her hot new startup or her collection of Warhols, she's only responsible for the federal portion of the taxes associated with the sale. This strategy could save significant state income taxes if she lives in a high-tax jurisdiction, and that's a big win for her.

2. Hard-to-value assets

Hard-to-value assets like commercial real estate, small business interests, and closely held companies are another reason you might want to bring us into the loop as soon as possible. Suppose that Elizabeth has inherited her father's regionally-beloved ice cream franchise. It's hard to tell what the company's current value is, but it's easy to tell that the number of franchises in different locations makes her vulnerable to heavy estate taxation and challenging valuations going forward.

How we can help: A wide variety of planning options are available to Elizabeth depending on her goals and her other assets. A business succession plan, a grantor retained annuity trust (GRAT), a life insurance trust (ILIT), or several other tools could help Elizabeth incorporate this new hard-to-value asset into her holdings. Of course, it doesn't just have to be an inheritance that's hard to value. Any difficult to value assets should be considered when developing a comprehensive financial plan and estate plan, thereby providing a big relief for Elizabeth and those like her.

3. New homeownership

Buying a new house, be it a principal residence, vacation property, or rental property, is a huge decision. Is she making the right choice, and is she taking smart, strategic financial steps in the process? Thanks to Elizabeth's career success, she's able to purchase the type of high-value house she's been dreaming of for her family. But before signing for it, there's an estate planning tactic that could substantially benefit her down the road by removing the appreciation of the property from her estate.

How we can help: Before the purchase is official, Elizabeth could set up a qualified personal residence trust with the help of an estate planning attorney. This helps her in a few ways. For one, she can name her children as beneficiaries that would inherit the property after her death, with less gift tax cost than she'd otherwise have to deal with. She can still live in the home

during the tenure of the trust. Now Elizabeth has both a new home and a great asset lined up for her children in the future. Even if a qualified personal residence trust isn't a great fit, it still makes sense for Elizabeth to discuss whether her new home should be titled in the name of her trust.

4. Charitable giving

If Elizabeth is thinking about making a large charitable gift, you'll want to make sure to work with us to assess any opportunities to get the most out of Elizabeth's generosity.

How we can help: There are numerous charitable tools available, such as charitable remainder trusts, charitable lead trusts, gift annuities, donor advised funds, and private foundations. There are no one-size-fits-all solutions to planned giving, but there are so many options available that it's almost certain that something will work for Elizabeth to make the most of her gift.

Give us a call today

We can work with you to help you strengthen your client relationships by solving these issues. Collaborate with us to improve outcomes and generate strong, long-lasting relationships with your clients. Give us a call today.

This newsletter is for informational purposes only and is not intended to be construed as written advice about a Federal tax matter. Readers should consult with their own professional advisors to evaluate or pursue tax, accounting, financial, or legal planning strategies.

You have received this newsletter because I believe you will find its content valuable. Please feel free to [Contact Me](#) if you have any questions about this or any matters relating to estate planning.

[Unsubscribe from this newsletter](#)

Condie & Adams, PLLC 611 4th Avenue, Suite A Kirkland WA 98033