



# Estate Planning in 2018 - Overland Park

November 6, 2018

**In case you weren't able to attend our first seminar, we've added another date. Same content, different location!**

## **Change in Direction: Undoing Estate Tax Planning In Favor of Income Tax Basis Planning**

**Tuesday, November 6**

8 am | Breakfast and Check-In

8:00-9:30 am | Seminar

### **Lathrop Gage LLP**

10851 Mastin Boulevard, Suite 1000

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For decades, the rule of thumb in estate planning has been to move wealth out of the taxable estate to avoid estate tax, often at the expense of getting a step-up in tax basis at death that eliminates built-in capital gain. However, after the Tax Cuts and Jobs Act of 2017 increased the estate tax exemption to \$11.18 million per person, many trusts, family limited partnerships and other closely-held entities are not just obsolete, but counterproductive. Many plans and structures that are no longer needed to avoid estate tax could be altered to achieve the maximum possible step-up in basis and elimination of capital gain, while still avoiding estate tax. The following will be discussed:

- Decanting or modifying irrevocable generation-skipping trusts to cause inclusion in the taxable estate, beginning with the highest-gain assets;
- Changing or dissolving family limited partnerships or other closely-held entities to reduce or eliminate discounts that reduce the step-up in basis at death;



- Transferring assets back to higher generations for the purpose of getting a step-up in basis and eliminating capital gain;
- The duties of trustees to review and modify trusts to capitalize on the tax benefits available under the new law;
- The risks of changing trusts or entities given that the increased estate tax exemption is scheduled to expire after 2025.

**Questions?**

Contact Kara at

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