

THE CENTER FOR WEALTH PLANNING

## Estate Planning Services

**The Center for Wealth Planning, part of Credit Suisse's Private Banking USA business, assists wealthy individuals and families in preserving their financial legacies. We offer estate planning services to develop and implement sophisticated strategies that help you ensure that your estate management reflects your personal goals. We are dedicated to seeking ways to reduce exposure to wealth transfer taxes, and can help you formulate a comprehensive plan for estate management and lifetime gifting.**

### **Grantor retained annuity trusts (GRATs)**

Grantor retained annuity trusts employ a "split interest" wealth-shifting technique that should be considered as part of a business owner's pre-transaction planning or an executive's pre-IPO planning. A GRAT allows an individual to transfer future appreciation in stock, real estate or partnership interests in excess of the IRS assumed rate of return to specified beneficiaries (typically, children) at a significantly reduced transfer tax cost.

### **Sales to an intentionally defective grantor trust**

Like a GRAT, a sale to an intentionally defective grantor trust may be an effective technique to transfer part or all of the future income or appreciation from a rapidly appreciating asset with little or no transfer tax cost.

### **Dynasty trusts**

Creative use of a multigenerational "dynasty" generation skipping trust combined with timely and effective allocation of the generation skipping transfer tax exemption can insulate trust property from transfer tax for multiple generations — and in some states — for a perpetual period.

### **Irrevocable life insurance trusts (ILITs)**

For wealthy families, it is generally advisable to keep life insurance proceeds out of the taxable estate. A common oversight is to leave spouses as owners or beneficiaries of life insurance when other structures might be more advantageous. This can increase the gross estate and ultimately increase the amount of estate tax due. An ILIT allows life insurance proceeds to avoid being included in the insured's estate while still providing for the controlled disposition of insurance proceeds.

***Please Note:** The Center for Wealth Planning provides consulting services to wealthy individuals and families. We do not draft documents or provide tax or legal advice.*

This material provides information on the services that Private Banking USA's Center for Wealth Planning may provide in connection with creating a Financial Plan for you. Please note that in these cases services shall terminate at the time your Financial Plan is delivered to you. If you are interested in receiving ongoing advice or assistance in the implementation of your Financial Plan, you will need to execute a new agreement with us for these additional services.

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