

## 2024 Estate Planning Survival Guide: Part 1 The Ultimate Client Preparedness Checklist

The estate planning landscape is on the brink of a major potential shift on January 1, 2026. With estate tax exemptions expected to be slashed nearly in half, high-net-worth clients could see a large chunk of their estate going to taxes overnight.

This "back of the napkin" math shows how Uncle Sam could get \$2.9M more in taxes overnight.

Single Individual	2023	Dec 31, 2025	Jan 1, 2026
Estate value	20,000,000	22,417,907*	22,417,907*
Lifetime Exemption	12,920,000	15,006,221**	7,720,000**
Taxable estate	7,080,000	7,491,059	14,777,280
Tax Rate	40%	40%	40%
Estate tax (est.)	2,832,000	2,996,424	5,910,912

The data shown is taken from a hypothetical calculation. It assumes a hypothetical rate of return and may not be used to project or predict actual results. \*Assuming 5% estate growth \*\* Estimated (5%) estate exemption Projection is based on inflation as of January 2023, actual results may vary. Prior figures from www.irs.gov Life Expectancy (LE) based on 2015 VBT Primary Table.

That's why it's so important to prepare now by helping clients clearly define their goals and proactively adjust strategies to protect their legacies from Uncle Sam. Preparation today is the key to preservation tomorrow.

## **QUESTIONS TO ASK AND GOALS TO DEFINE**

 <b>Understand Client Vision:</b> What legacy do you wish to leave behind, and to whom — spouse, grandchildren or charity?			
Wealth Distribution Goals: How much of your estate would you like each beneficiary to receive?			
Tax Management: How important is it for you to minimize estate tax impact on your beneficiaries?			
Charitable Intentions: Are there charitable causes you wish to support your estate?			
<b>Family Dynamics:</b> Are there any special family circumstances that need to be considered (e.g., a family business, minor children, special needs)?			
Asset Review: Do you have a current inventory of all your assets and liabilities?			
<b>Existing Estate Plans:</b> When was the last time you reviewed your will trusts, and other estate planning documents?			

In these times of impending change, your role as an advisor is to ensure a seamless transition and efficient wealth transfer, aligned with your client's vision. Starting early, defining goals, and understanding the estate planning landscape is critical to ensuring wealth goes to the intended beneficiaries and not to taxes.

Don't wait for the tax changes to catch your clients unprepared. Review their estate planning needs now and help them outline strategies to mitigate loss.

For personalized advice and effective estate planning strategies, call the Advisor Development Desk at **310-477-7500**. Equip yourself with the knowledge and tools you need to protect your clients' wealth.



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