



Essentials of Estate Planning for Members of the Darien's Men's Association

Leonard Leader, Esq.

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What We Will Cover

- Current Estate Tax Laws
- Proposed Changes to the Tax Laws
- How to Address Current Law and Proposed Changes
- Domicile Planning
- Protecting Assets for your Family
- Planning for Potential Incapacity
- Failure to Plan – Celebrity Mishaps

Current Estate Tax Law

- Federal transfer taxes
 - Unlimited marital deduction
 - 40% estate, gift, and GST tax rate
 - The 2019 federal exemption amount is \$11.4M per taxpayer
 - Portability: Any unused amount of the exemption by one spouse may be utilized by the second spouse when he or she dies
 - Generation-Skipping Transfer (“GST”) tax
 - Stepped-up basis for assets in estate
 - On January 1, 2026, the exemption amounts will revert back to prior law, \$5,000,000 per person, indexed for inflation from 2011

Current Estate Tax Law Continued

Connecticut Gift and Estate tax

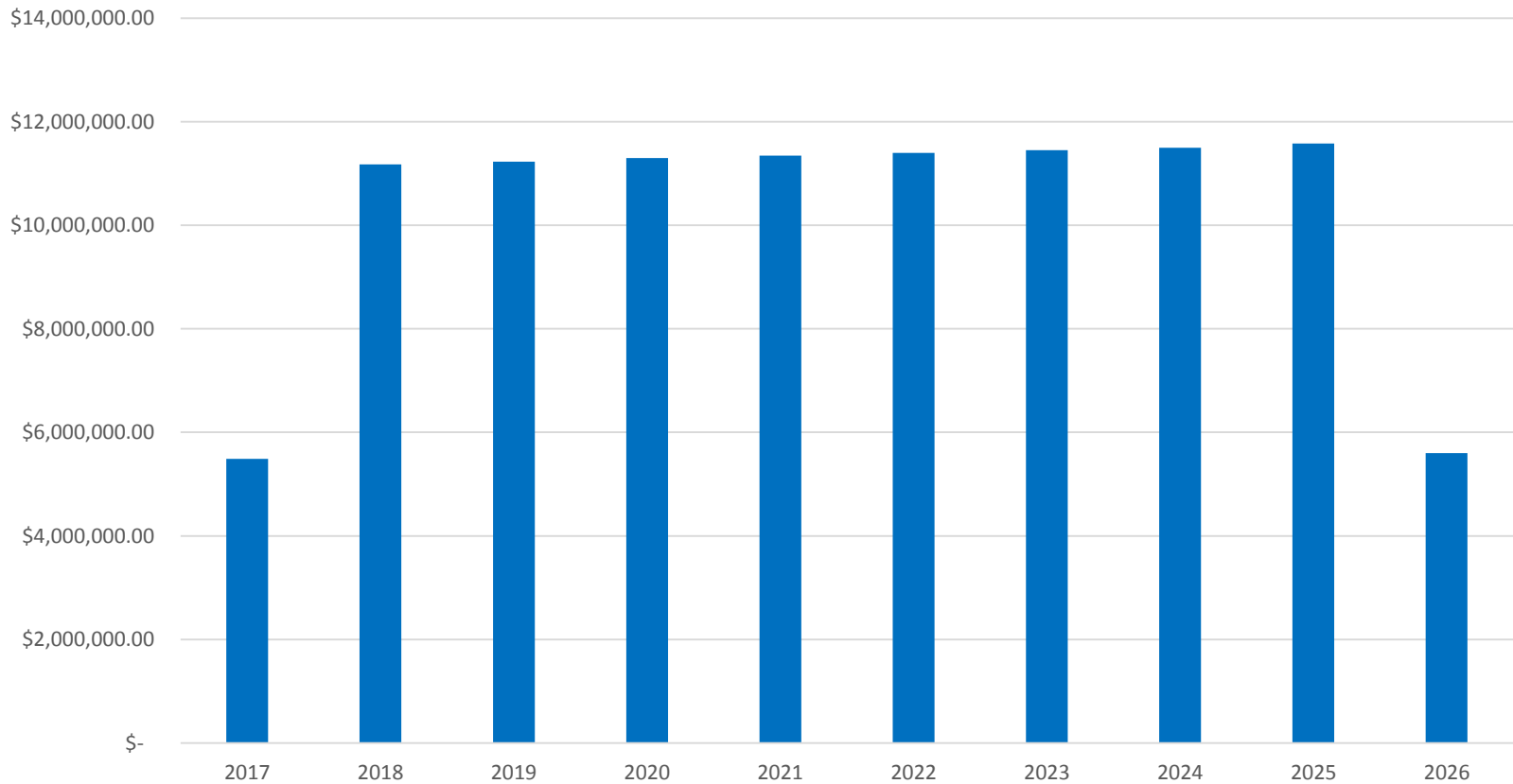
- 12% top tax rate
- The 2019 Connecticut exemption amount is \$3,600,000 per taxpayer
- Only state with a gift tax

New York Estate Tax

- 16% top tax rate
- Current lifetime exemption: \$5,740,000

Tax Cuts and Jobs Act 2017

Projected Estate Tax Exemption



Proposed Changes to Estate Tax Law

Senator Bernie Sanders

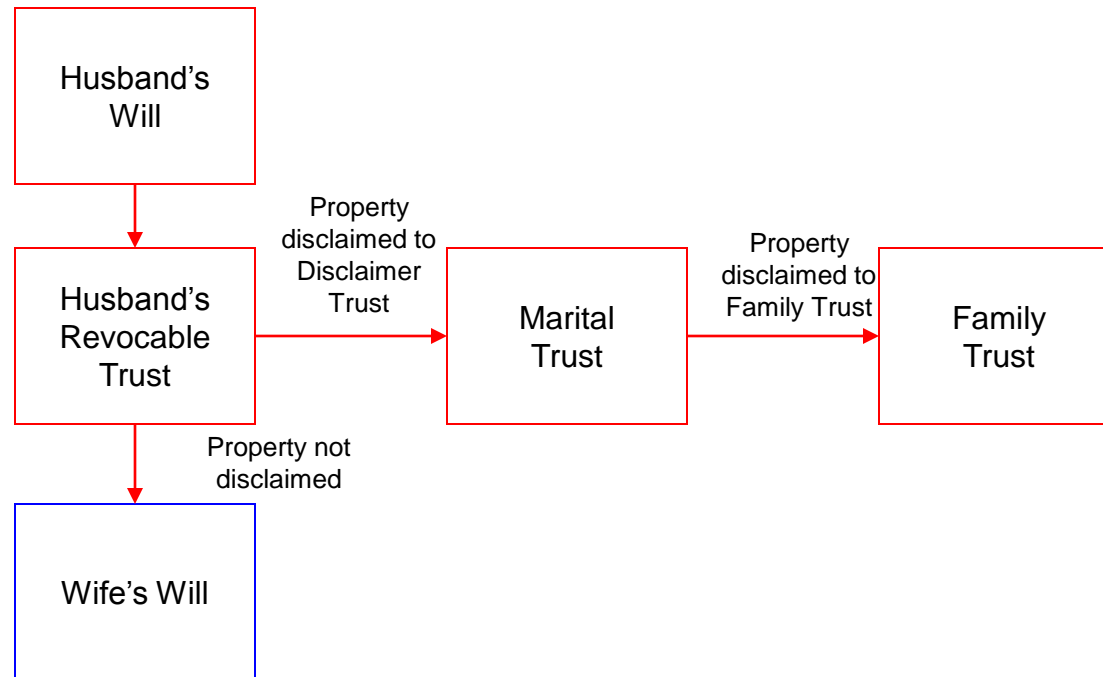
Wants to lower the estate tax exemption from \$11.4M to \$3.5M

Senator John Thune, Senate Majority Leader Mitch McConnell, and Senator Charles E. Grassley

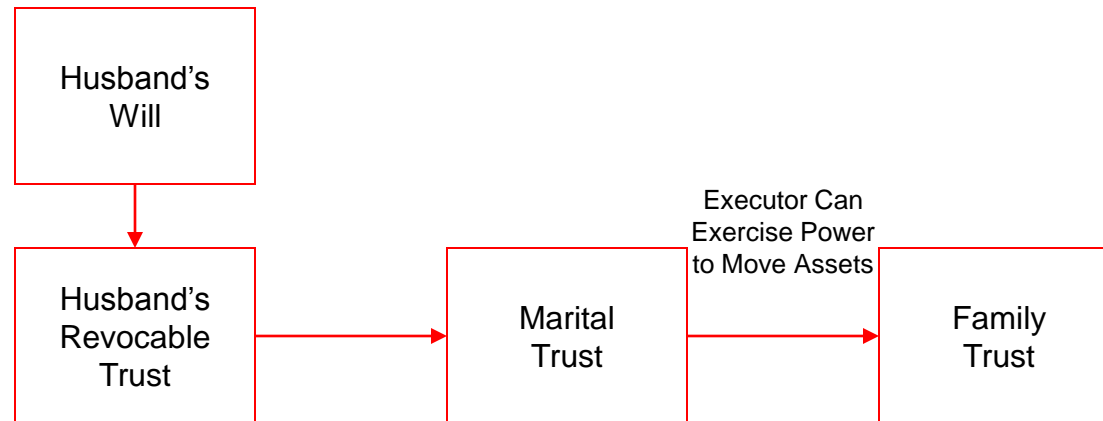
Permanent repeal of the estate tax

How to Address Current Law and Proposed Changes in Estate Law

Disclaimer Planning



QTIP Planning



Domicile Planning

Get Out of Town

- What is at audit risk?
- What works and what doesn't?

Protecting Assets for Your Family

- Why protecting assets is important
- Use of asset protection trusts

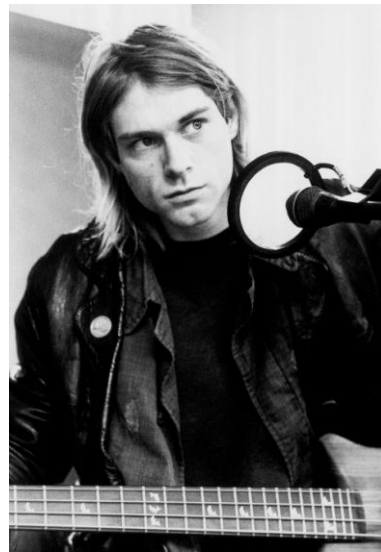
Planning for Potential Incapacity

- Conservatorships/ Probate Court
- Power of Attorney
- Health Care Directives/ Living Will
- Authorization of Use and Disclosure of Protected Health Information

Consequences of Failing to Plan



Prince



Kurt Cobain

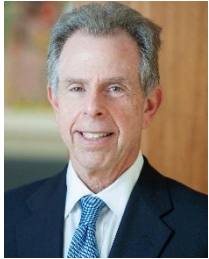


Sonny Bono



Aretha Franklin

Leonard Leader



Leonard Leader is a partner in Wiggin and Dana's Private Client Services Department. Leonard advises clients on estate and probate law, tax planning, elder law, and family business succession planning. He has decades of experience helping clients solve tax and estate planning challenges so they can build their wealth and bequeath it to younger generations.

Leonard received his LL.M., from the New York University Graduate School of Law, and his J.D., *cum laude*, from Fordham University School of Law.

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Wiggin and Dana

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