

INTRODUCTION TO TRUSTS AND ESTATES

JULY 15-17, 2024

WESTIN NEW YORK AT TIMES SQUARE
NEW YORK, NY

FINANCE AND TAXATION PROGRAMS

Chair: Joseph P. Scorese, Esq., *Member, Sills Cummis & Gross, Newark, NJ and New York, NY*

DAY 1

8 a.m.

REGISTRATION AND CONTINENTAL BREAKFAST

8:25 a.m.

WELCOME REMARKS

Kathleen Costello, CMP, *Assistant Director, NYU School of Professional Studies, New York, NY*

8.45–9.00 a.m.

INTRODUCTION AND OVERVIEW

Joseph P. Scorese, Esq., *Member, Sills Cummis & Gross, Newark, NJ, and New York, NY*

9.00–10.15 a.m.

ESTATE TAXES I: THE NATURE OF THE TAX AND UNDERSTANDING THE GROSS ESTATE

This presentation introduces the basic infrastructure of the federal estate tax, the wealth tax that still drives all trust and estate planning. Covered are essential elements of the computation of the tax: the rates and credits, and the impact of the most recent statutes which affect wealth taxation, including relevant current tax law and policy discussions. Specific attention is given to the foundations of what is included in the gross estate, including powers of appointment, life insurance, and transfers with retained interests.

Mitchell Drossman, Esq., *Managing Director, National Director of Wealth Planning Strategies, Bank of America Private Wealth Management, New York, NY*

10.15–11.15 a.m.

ESTATE TAXES II: THE MARITAL DEDUCTION, CREDIT SHELTER PLANNING, AND PORTABILITY

Estate planning for spouses requires an understanding and appreciation of the unlimited marital deduction and how it is used effectively in wills and trusts. Also explored are planning with the “applicable exclusion amount,” the credit shelter (or “bypass”) trust and the basics of “portability” under the Tax Relief Act of 2010, the American Taxpayer Relief Act of 2012, the 2017 Tax Cuts and Jobs Act, and the Federal Regulations.

Margaret St. John Meehan, Esq., *Partner, Day Pitney, Stamford, CT*

11.15–11.30 a.m. Refreshment Break

11.30 a.m.–12.45 p.m.

ESTATE TAXES III: OTHER IMPORTANT DEDUCTIONS AND ELEMENTS OF PLANNING WITH THE CHARITABLE DEDUCTION

The presentation highlights the elements and the rules which govern deductions which can reduce or eliminate the estate tax, such as deductibility of debts, expenses of administration, and taxes. Also introduced are the estate tax charitable deduction and its importance as a planning tool for charitable remainder trusts (CRATs and CRUTs) and charitable lead trusts (CLATs and CLUTs).

Michelle Orłowski, *Managing Director, Head of Estate Administration and Fiduciary Counsel, Bessemer Trust, New York, NY*

12.45–1.45 p.m. Lunch Recess

1.45 – 3.00 p.m.

THE BASICS OF BASIS IN ESTATE PLANNING

Estate planning for high-net-worth individuals has undergone a fundamental shift in focus. Practitioners can no longer rely simply on recommending venerable solutions such as credit shelter trusts and dynasty trusts to solve wealth tax problems. The current tax environment demands that advisors master the income tax effects of capital gains and capital losses on estate and trust property and inherited wealth. Clients are making strategic investment decisions on income taxation, and too often costly mistakes occur and opportunities are missed when basis issues are ignored. What is basis? How does it change? When does a step-up occur? When does a step-down occur? How is basis reflected (and how does it change) in family limited partnerships? These and other fundamental concepts are explored, including the role basis may play in any “death tax” reform.

Brad Dillon, Esq., *Partner, Andreessen Horowitz, New York, NY*

3.00–3.15 p.m. **Refreshment Break**

3.15– 4.30 p.m.

INTRODUCTION TO INCOME TAXATION OF TRUSTS AND ESTATES

This session explores the fundamentals of federal income taxation for estates and trusts. What are the essential components of the IRS Form 1041? How is fiduciary income tax computed? Other essentials covered include “simple” vs. “complex” trusts, treatment of capital gains and losses, distributable net income (DNI), income tax charitable deduction rules, and other itemized deductions and limitations.

Stacia C. Kroetz, Esq., MBA, CPA, *Managing Director; Senior Wealth Planner, Brown Brothers Harriman & Co., New York, NY*

Mark Taccetta, *Vice President and Fiduciary Income Tax Manager, Brown Brothers Harriman & Co., New York, NY*

DAY 2

8.45–9.00 a.m.

“OPEN FORUM”

Joseph P. Scorese, Esq., *Member, Sills Cummis & Gross, Newark, NJ, and New York, NY*

9.00–10.30 a.m.

LIFETIME TRANSFERS AND THE FEDERAL GIFT TAX: THE ENDURING WEALTH TAX

The tax on a client’s lifetime gifts is an important complement to the estate tax and essential knowledge for anyone advising on estate and trust matters. But what is a gift? This presentation explores the nature of gifts through the eyes of the Internal Revenue Code. Essential concepts are covered such as the elements of a completed gift, allowable deductions, the annual exclusion, and other exclusions. Also covered in this presentation are the fundamental planning usages of disclaimers and Crummey trusts. In addition, the presentation covers foundational concepts such as gift splitting, calculation of tax, filing gift tax returns and procedures, and the impact of the relevant recent tax laws and projected tax policy.

Catherine G. Schmidt, Esq., *Partner, Schulte Roth & Zabel, New York, NY*

10.30–10.45 a.m. **Refreshment Break**

10.45 a.m.– 12.15 p.m.

MULTI-GENERATIONAL PLANNING AND THE GENERATION-SKIPPING TRANSFER TAX

The third of the three wealth taxes, the GST tax is largely a “planning tax” that affects high-net-worth individuals, and advisors and practitioners who ignore it do so at their peril. Basic concepts and mechanics of the tax are explored (i.e., the characterization of a generation skip, the allocation of GST exemption, inclusion ratio and the applicable rate), as well how these mechanics affect estate planning for high-net-worth individuals in vehicles such as perpetual dynasty trusts and insurance trusts.

Joseph P. Scorese, Esq., *Member, Sills Cummis & Gross, Newark, NJ, and New York, NY*

12.15–1.30 p.m. **Lunch Recess**

1.30–2.45 p.m.

DIGITAL ASSETS

Rapid changes in technology are challenging an estate planner’s ability to keep pace with them. This presentation discusses federal and state legislation and case law for estate planning with digital assets and a fiduciary’s access and distribution of a decedent’s digital assets. The session includes planning techniques and best practices to ensure a client’s wishes are satisfied and the smooth administration of an estate with digital assets.

Kyle G. Durante, Esq., *Associate, Blank Rome, New York, NY*

2.45-3.00 p.m. Refreshment Break

3.00-4.30pm

TRANSFER TAX VALUATION ISSUES AND THEIR IMPACT ON FAMILY WEALTH PLANNING OPTIONS

What is "fair market value," as applied to the world of Federal transfer taxation? This presentation discusses this very fundamental and critical aspect of estate planning and estate administration and how its perception has changed over the years. Emphasis is spent on valuation in the context of closely-held business interests, family limited partnerships and the Special Valuation Rules of Chapter 14 of the Code.

John M. Olivieri, Esq., Partner, Barnes & Thornburg, New York, NY

DAY 3

8.45-9.00 a.m.

"OPEN FORUM"

Joseph P. Scorese, Esq., Member, Sills Cummis & Gross, Newark, NJ, and New York, NY

9.00-10.00 a.m.

STATE DEATH TAXES AND FIDUCIARY INCOME TAXES: WHO SAID YOUR ESTATE OR TRUST WASN'T TAXABLE?

The Tax Cuts and Jobs Act of 2017 has gone a long way in providing federal transfer and income tax relief to the wealthy. Planners need to be increasingly mindful, however, of opportunities and traps arising from a client's exposure to a particular state's income and wealth tax regime. With their increasing need for revenue, many states continue to impose their own form of estate and inheritance taxes, which if overlooked, result in unhappy surprises for beneficiaries. State income taxes applicable to trusts also are a factor in planning that need increasing attention. Practitioners are often unaware of how trusts are taxed at the state level and how the residence of a trustee or even a beneficiary can expose that trust to his or her own state's fiduciary income tax. This presentation provides an overview of the impact of state taxes affecting wealth transfers and the increasingly critical strategic attention practitioners need to pay when designing sophisticated plans in dynasty trusts with multijurisdictional contacts.

Timothy M. Ferges, Esq., Partner, McCarter & English, Newark, NJ

10.00-11.15 a.m.

ESTATE AND TAX PLANNING FOR NON-US CITIZENS

An essential primer for any estate planning professional who seeks to advise clients with international contacts. The impact of US wealth taxes on non-citizens is explored, including gift and estate tax exemptions for non-resident aliens, annual exclusions for gifts by US citizens to non-citizen spouses, and qualified domestic trusts. Also covered is an overview of the compliance rules required for individuals with foreign bank accounts (FBAR) and required IRS reporting for beneficiaries who receive foreign gifts and bequests.

Jack F. Meola, CPA, Esq., Advisor, Eisner Advisory Group, Iselin, NJ

11.15-11.30 a.m. Refreshment Break

11.30 a.m.- 12:30 p.m.

PLANNING TECHNIQUES USING GRANTOR TRUSTS

Grantor trusts enjoy a special role in sophisticated estate planning for high-net-worth individuals. This presentation explores the appeal of the grantor trust, what makes an irrevocable trust a grantor trust, and how it is deployed. A comparison of the two most popular techniques, the Grantor Retained Annuity Trust (or GRAT) and the sale to an intentionally defective grantor trust (or IDGT) are explored and explained.

Kimberly A. DeMaro, Esq., Counsel, Paul, Weiss, Rifkind, Wharton & Garrison, New York, NY

12.30-1.30 p.m. Lunch Recess

1.30 - 2.45 p.m.

FUNDAMENTALS OF ELDER LAW AND SPECIAL NEEDS PLANNING

The U.S. has no health insurance for long-term care. Seventy percent of Americans aged 65 and over will need some form of long-term care during their lifetime, regardless of their net worth. Additionally, one in six children under age 18 have one or more developmental disabilities and more than fifty-six million Americans are living with some type of disability, whether it is mental, cognitive, and/or physical. This presentation will address the fundamentals in elder law and special needs planning to enable every practitioner to identify planning needs for their clients.

Amy C. O'Hara, Esq., CELA, Partner, Littman Krooks, New York, NY

Brian L. Miller, Esq., CELA, Partner, Littman Krooks, New York, NY

2.45–3.00 p.m. Refreshment Break

3.00 – 4.30 p.m.

INSIDE THE BLACK BOX OF ESTATE ADMINISTRATION AND EXECUTORS' ELECTIONS

A decedent's estate in administration presents the executor and his or her advisors with a multitude of tax options and elections, many of which are overlooked and cost families needless taxes. Estate and income tax elections are explored in general. Specific attention is given to fiscal year election and IRC §645 election, uses of alternate valuation, the benefits of filing for extensions and deferrals of payment of estate tax, and the benefits and costs of using a deduction for income vs. estate tax purposes.

Brian Conboy, Esq., *Managing Director, Trust Counsel, Director of Estate Administration, Fiduciary Trust Company International, New York, NY*

Elisa Pickel, Esq., *Managing Director, Trust Counsel, Senior Estate Settlement Officer, Fiduciary Trust Company International, New York, NY*

4.30 p.m. [Conference Concludes](#)

LEARNING OBJECTIVES

Upon completion of this program, you will have acquired an understanding of the varieties of taxes and tax issues applicable to gratuitous transfers by individuals and trusts and estates:

- The fundamentals of the estate tax, gift tax, and generation-skipping transfer tax are explored, including inclusions and exclusions, common valuation issues, and typical resolutions
- Fundamentals of estate and trust planning for individuals and families of modest to ultra-high net-worth
- The ancillary impact of the estate tax rules including basis rules applicable to assets distributed from the estate to beneficiaries
- The basics and differences in planning before and after death, with emphasis on the relationship of the gift tax to the estate tax and planning opportunities involving spouses and family members
- Income tax planning in estates, trusts, and beneficiaries

Program Level: Basic • Prerequisite: No Prerequisite