

# Advanced **Estate Planning** Strategies



The Prudential Insurance Company of America,  
751 Broad Street, Newark, NJ 07102  
1050223-00004-00 [EXP: 11/24/2024]







# Everyone Needs an Estate Plan



**YOUR HARD WORK MATTERS**

What you've worked  
hard for is precious.  
**Preserve it today**  
with holistic estate  
planning.



# WHAT YOU CAN DO to **Protect** Yourself and Your Loved Ones

---

1

Document **your choices**

---

2

**Execute documents enabling others**

to make decisions if you cannot:

- Durable power of attorney
- Medical directives

---

3

Create a last **will** and testament

---

4

Establish a **trust**

---

5

Consider estate and other **tax laws**

---

6

Choose a **guardian and care plan** for your minor or special needs children, reflect your decision in your will, and prepare guardianship documents

---

7

Change account **titling** and verify **beneficiary designations**



# WHAT YOU CAN DO to **Protect** Yourself and Your Loved Ones (cont.)



## **Incorporate your life insurance coverage as a key estate planning tool:**

- Ensure any outstanding debts are paid
- Provide funds for college/higher education
- Fund a trust
- Provide liquidity to help pay any estate taxes that may be due
- Manage estate taxes



# When There's a **Will...**

- Makes your wishes known
- Makes it easier for your family
- Avoid intestacy
- Reduce expenses, taxes



# Creating Tax Efficiencies



# Federal Estate Taxes

- Lifetime Gift Tax Exemption  
(\$12,920,000\*)
- Estate Tax Exemption  
(\$12,920,000\*)
- Generation-Skipping Transfer  
Tax Exemption  
(\$12,920,000\*)

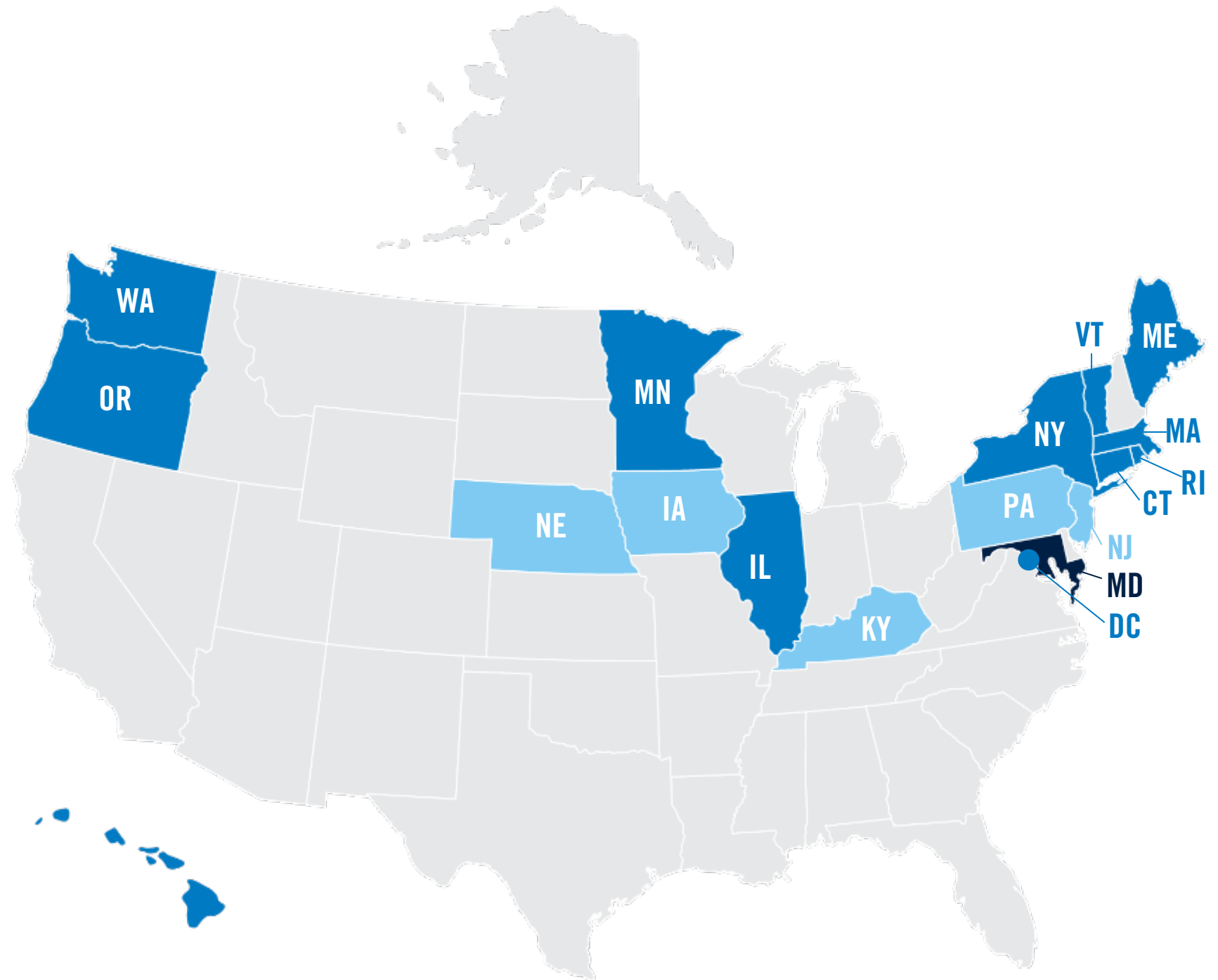


\* Amount for 2023, indexed annually for inflation. Note that unused portion is portable to one's spouse. This slide is for information only – please consult your CPA or tax advisor for more information.

This list is for illustrative purposes only.



# Does Your State Have an **Estate** or **Inheritance** Tax?







# Portability of Exemption of Spouses

- Surviving spouse can use decedent's unused exemption
- Benefits the surviving spouse
- Continued need for planning remains
- Does not apply to GST tax



# Gifting Goals

- Leave more to family, less to government
- Keep estate assets intact
- Reduce future estate tax exposure



**Gift \$34,000 to Each**



This chart is for illustrative purposes only.



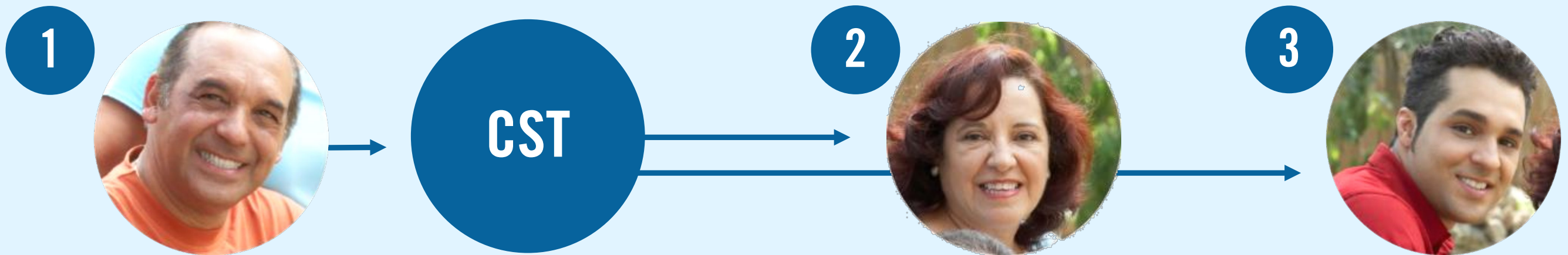
# General Types of Trusts

- Revocable trust
- Irrevocable trust



# Credit Shelter Trust

- Take advantage of tax exclusions
- Consider the impact of state estate taxes
- Consult with tax or legal professional to see if this strategy is right for you



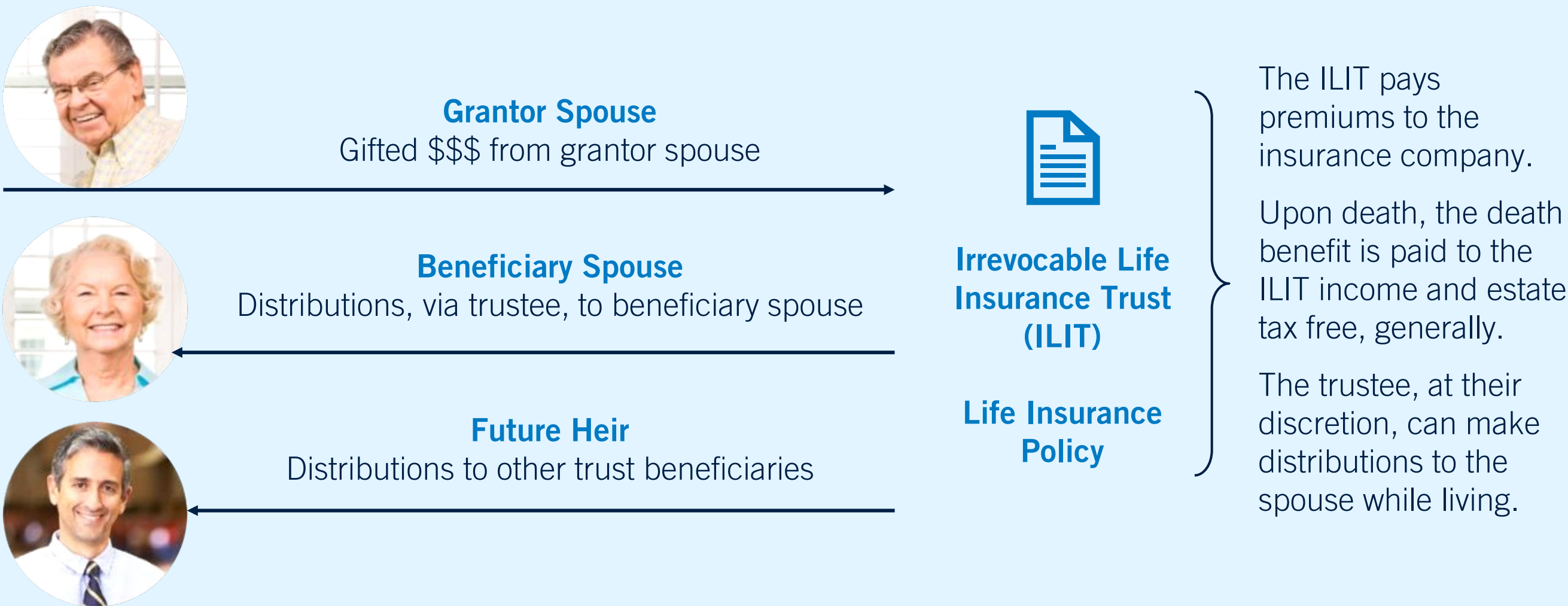


# Common Trusts for **High-Income** Individuals

- Irrevocable Life Insurance Trust (ILIT)
- Charitable Remainder Trusts (CRT)
- Qualified Personal Residence Trust (QPRT)
- Qualified Terminable Interest Property (QTIP)



# Spousal Lifetime Asset Trust (SLAT)



This is for illustrative purposes only. Outstanding loans and withdrawals will reduce policy cash values and the death benefit and may have tax consequences.



# Special Needs Estate Planning Considerations



# Estate Planning **Fails**

## **Beneficiaries not up-to-date**

Former spouse was listed as beneficiary on financial assets

## **Paid too much in taxes**

Planned without professional guidance, leaving out key tax provisions that would have saved the family in estate taxes

## **Died without a will**

Leaving it up to the state intestacy laws to determine who gets what

## **Solution**

**Revisit your estate plan after major life events (e.g., divorce, moved to a new state) or government changes (i.e., tax law changes).**



# 5 Steps to Successful Estate Planning

# 5 Steps to Successful Estate Planning

## Assemble a support team

- Estate planning attorney
- Financial professional
- Tax advisor and/or tax attorney

1

Assemble a support team

2

Analyze your current situation

3

Identify gaps and solutions

4

Execute your plan

5

Review periodically



# 5 Steps to Successful Estate Planning

## Analyze your current situation

- Assets/liabilities
- IRAs & retirement plans
- Beneficiary designations
- Life insurance
- Annuities
- Deeds

---

1

Assemble a support team

2

**Analyze your current situation**

3

Identify gaps and solutions

---

4

Execute your plan

---

5

Review periodically

---

# 5 Steps to Successful Estate Planning

## Identify gaps and solutions

- Determine if current needs are being met
- Determine if future needs have been contemplated

1

Assemble a support team

2

Analyze your current situation

3

**Identify gaps and solutions**

4

Execute your plan

5

Review periodically



# 5 Steps to Successful Estate Planning

## Execute your plan

- Select beneficiaries, trustees, agents, and patient advocates
- Sign necessary documents
- Purchase necessary insurance

1

Assemble a support team

2

Analyze your current situation

3

Identify gaps and solutions

4

**Execute your plan**

5

Review periodically

# 5 Steps to Successful Estate Planning

**Review your estate plan every three years because of potential:**

- Changes in tax laws
- Changes in family situation
- Make revisions as needed

1

Assemble a support team

2

Analyze your current situation

3

Identify gaps and solutions

4

Execute your plan

5

**Review periodically**



# Is Your Estate Plan **in Order?**

## Do It Yourself

Prudential  
**PATHWAYS**

**ASSETS TRANSFER CHECKLIST**

## Take the Next Step

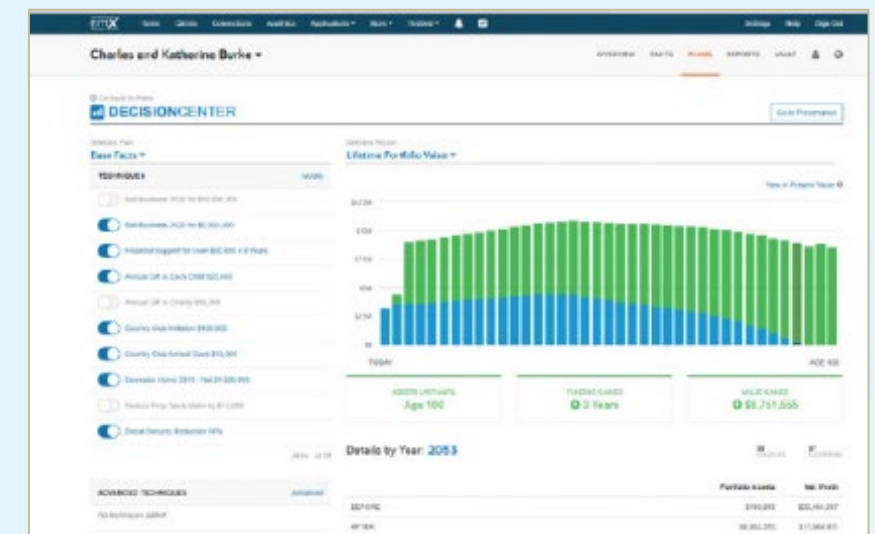
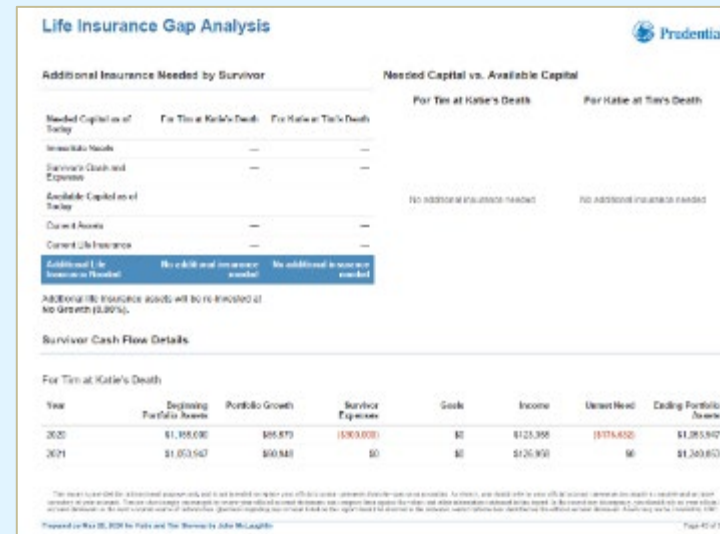
1	Do you have a NETT?	<input type="checkbox"/> YES <input type="checkbox"/> NO
2	Is your date of residence the same as it was when your assets transfer plan was developed?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3	Is your family's status the same as when your assets transfer plan was developed?	<input type="checkbox"/> YES <input type="checkbox"/> NO
4	Does your will name a guardian for your children in the event both you and your spouse are deceased?	<input type="checkbox"/> YES <input type="checkbox"/> NO
5	Are you comfortable with the executor(s) and beneficiary(s) you have selected?	<input type="checkbox"/> YES <input type="checkbox"/> NO
6	Have you made sure that your property ownership and beneficiary designations are consistent with your assets transfer planning documents?	<input type="checkbox"/> YES <input type="checkbox"/> NO
7	Is the value of your estate presently the same as when your assets transfer plan was developed?	<input type="checkbox"/> YES <input type="checkbox"/> NO
8	If you have a divorce or are divorcing, have you changed the title of your assets to the name of the trust?	<input type="checkbox"/> YES <input type="checkbox"/> NO
9	Have you executed a durable power of attorney and the appropriate healthcare documents?	<input type="checkbox"/> YES <input type="checkbox"/> NO
10	If either spouse is a resident but not a citizen of the United States, have you considered including UGAT (Qualified Domestic Trust) provisions in your assets transfer plan?	<input type="checkbox"/> YES <input type="checkbox"/> NO
11	If your estate will be subject to estate tax, do you and your spouse each own enough assets to take advantage of your full estate tax applicable exclusion amount?	<input type="checkbox"/> YES <input type="checkbox"/> NO
12	If each spouse owns enough assets to take advantage of the estate tax applicable exclusion amount, are both your assets transfer plan and your spouse's dialogue to take advantage of this amount?	<input type="checkbox"/> YES <input type="checkbox"/> NO
13	Have you considered taking advantage of the annual gift tax exclusion?	<input type="checkbox"/> YES <input type="checkbox"/> NO
14	Do you have sufficient liquid assets to pay the debts and taxes that become due at death?	<input type="checkbox"/> YES <input type="checkbox"/> NO
15	Does your assets transfer plan provide sufficient income for your surviving spouse to maintain his or her standard of living?	<input type="checkbox"/> YES <input type="checkbox"/> NO
16	Are you certain your assets transfer plan is up to date and takes into account potential tax law changes?	<input type="checkbox"/> YES <input type="checkbox"/> NO

Prudential, the Prudential logo, the Rock symbol, and Pathways are service marks of Prudential Financial, Inc. All other marks within, including its name, are the marks of other entities.  
Document 10000-01

 **Prudential**

# Estate Planning Checklist

## Pathways Speaker Provided



## eMoney Cash Flow Analysis & Life Insurance Gap Analysis

# Questions?



# Thank You

# Important Information

Prudential, the Prudential logo, the Rock symbol and Prudential Pathways are service marks of Prudential Financial, Inc. and its related entities, registered in many jurisdictions worldwide.

The speaker is a registered representative of Pruco Securities, LLC (Pruco), a Prudential Financial company.

Prudential Pathways® seminars are general educational information provided by a Prudential Financial Professional and are not intended to market or sell any specific products or services. Offering this seminar does not constitute an endorsement of Prudential products or services in any way. Financial Wellness offerings, which include these seminars and access to any third-party referrals, are provided by Prudential Workplace Solutions Group Services, LLC (PWSGS).

Prudential does not provide tax or legal advice, please consult an independent tax advisor regarding your personal tax situation.