

# HOW Much ..... Is ENOUGH?

Part I



With A. Charles Schultz, JD, AEP®

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## Integrity and Initiative

- Primary Goal of Estate Planning
- Making the Child a "Better Person"
- How to Transfer?
- "Learning" and "Earning"



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## Time to Learn

1. Lifetime Gifts
2. Estate Principal
3. Income Stream
4. Deferred Principal



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# 1. Lifetime Gifts

- What age to start?
- Age of financial responsibility
- Part or all of annual exclusion
- Gifts of property
- Gift of education



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# Gifts to Children

- Why Give?
- When to Give?
- What to Give?
- How to Give?
- Should you Give Different Amounts?
- The Effect on Self Esteem
- Gift of Education
- How to Transfer Values?



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# Why Give to Children?

- Start Inheritance Process
- Help with Home
- Cost of Children
- Offer Advice & Encouragement



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## When Should a Parent Give?



- Age of Financial Responsibility
- What is That Age?
- Resources of Parent
- Pensions, Social Security, IRA, Investments

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7

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## What Should You Give?

- Gift of Cash – Age 30-50
- 8 of 10 Spent Cash Gifts
- 8 of 10 Spent other Earnings
- Best Gift – Property or Stocks
- Gift Exclusion (\$15,000 in 2021)



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8

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## Give Different Amounts?

- Children** Different Economic Situations
- Gifts** Viewed as Representing Love
- Usually** Give Equally
- Exception 1** Special Needs Trust
- Exception 2** Family Business



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9

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## Impact on Motivation

- Best Gift – Education
- Help Start a Business
- Wait for Maturity
- Gift of Stock or Land



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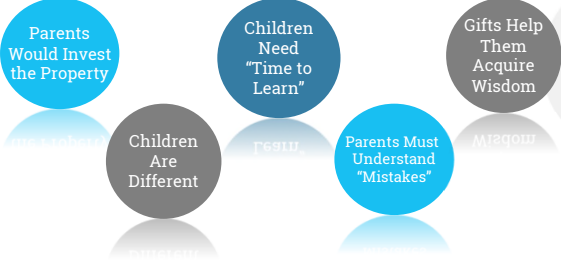
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## Why Don't They Think Like Us?



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## How to Transfer Values

- Teach Values to Children
- Good Parenting from “Family”
- Provide for “Extended Family”
- Show Benefits of Helping Others
- Planned Gifts – Family & Extended Family



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12

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## 2. Estate Principal



- Bypass Trust
- Insurance Trust
- Living Lead Trust
- Bequest of Property

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13

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## 3. Income to Children

Opportunity to Learn to Invest



Term of  
Years  
Unitrust

One-Life  
Unitrust

IRA or  
Pension Plan  
to Trust

Income to Family

14

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## Testamentary Unitrust

Prepared for Mary Smith

Estate Value  
\$500,000

Children  
\$240,000

5% Unitrust  
\$250,000  
Term of 20 Years

Charity  
\$298,323

1. Part of estate to unitrust with balance, after taxes and costs, to Children.
2. Trust income of 5% paid for 20 years. First year income \$12,500. Total income \$272,244.
3. After income payments for 20 years, unitrust to charity.

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15

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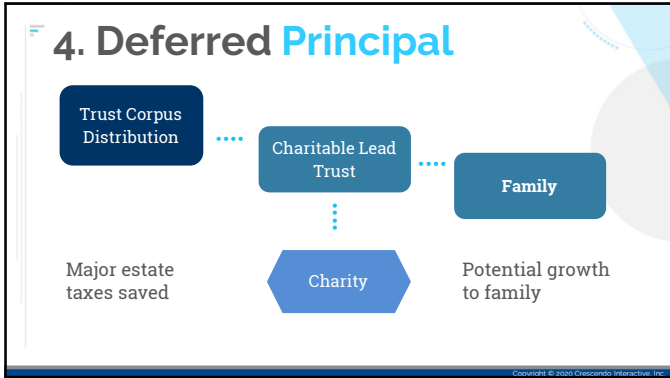
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## Jones Family

- **Father**  
Business owner & Family
- **Mother**  
Career & Family
- **Three children**  
On their way

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18

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## Surviving Spouse



**Home**



**Liquid Assets**



**Income For Lifestyle**



**"Sleep Well" Plan**



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## Inheritance For Children



**"Plan A"**  
Provide  
Everything

**"Plan B"**  
Added  
Economic  
Security

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## Goals for Children I & I

"A good inheritance is designed to help a child to be a better person."  
- Charles Schultz



**Integrity**

**Initiative**

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# PRACTICAL PLANNED GIVING CONFERENCE SPEAKER EVALUATION

Date: \_\_\_\_\_ Speaker: \_\_\_\_\_

Name (optional): \_\_\_\_\_

Please rate the following:

	Excellent	Good	Neutral	Fair	Poor
<b>I. OVERALL</b>	5	4	3	2	1
Were your major objectives for this session met? Was the content of the session vital, timely, substantive?					
Comments: _____					
_____					

<b>II. RELEVANCE</b>	5	4	3	2	1
Was the subject matter directly related to the requirements of your job?					
Comments: _____					
_____					

<b>III. VALUE</b>	5	4	3	2	1
Do you believe the benefits of this session were worth the time, effort and cost?					
Comments: _____					
_____					

<b>IV. SPEAKER</b>	5	4	3	2	1
How was their presentation style? Did the session move along at the right pace? Did they have appropriate knowledge on the topic?					
Comments: _____					
_____					

<b>V. MATERIALS</b>	5	4	3	2	1
Were the materials clear and organized and appropriately helpful for the session?					
Comments: _____					
_____					

**Vi. What did you like the most about the session?**

\_\_\_\_\_

\_\_\_\_\_

**VI. Any suggestions to improve future sessions?**

\_\_\_\_\_

\_\_\_\_\_

**XII. How many years of gift planning experience do you have?** \_\_\_\_\_