



FAIRMAN GROUP FAMILY OFFICE

Financial Planning | Investment Advice | Tax Preparation & Tax Planning



ESTATE PLANNING STRATEGIES DURING UNCERTAIN TIMES

THOUGHT LEADERSHIP PERSPECTIVES

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THIS COULD BE AN OPPORTUNE TIME TO CONSIDER TRANSFERRING WEALTH TO FUTURE GENERATIONS—BY TRANSFERRING ASSETS (AT LOWER VALUES) AND TAKING ADVANTAGE OF HISTORICALLY LOW INTEREST RATES.

As the world continues to face these unprecedented times, we at Fairman Group Family Office want you to know that we are available to help you with all your financial planning needs. One important area that may be on your mind is estate planning—and specifically, having an updated and comprehensive estate plan in place. Below are our top three suggestions for estate planning strategies:

REVIEW AND UPDATE YOUR ESTATE PLANS TO BE SURE THEY REFLECT YOUR INTENTIONS.

Estate documents (wills, revocable trusts, powers of attorney...etc.) are important to ensure your property is distributed according to your wishes in a tax-efficient manner. If you do not currently have estate documents, we have the expertise here at Fairman Group to assist you in designing a plan and can also help you find a qualified estate planning attorney to draft the documents.

GIFT ASSETS AT LOWER VALUES TO MAXIMIZE THE POWER OF THESE EXCLUSIONS.

During 2020, donors can gift \$15,000 (\$30,000 for married couples) per person. In addition, over one's lifetime, taxpayers can gift up to \$11.58 million (\$23.16 million for married couples) without paying gift tax. With the current state of the markets, now might be an ideal time to gift assets at lower values to maximize the power of these exclusions. In addition, as the asset's value grows, the growth will be outside of the donor's estate and thus not subject to estate tax at the donor's death. Removing assets from the estate at today's values can be a very powerful tool in minimizing estate tax.

TAKE ADVANTAGE OF HISTORICALLY LOW INTEREST RATES.

Consider several estate planning strategies, such as Grantor Retained Annuity Trusts (GRATs), installment sales, and intra-family loans. While these strategies can be somewhat complicated, the basic effect is that you can pass all of the future growth of assets (in excess of the interest rate) to your heirs/trusts for heirs. Also, if you have existing intra-family loans, you may want to consider refinancing these loans. These low interest rates are not permanent, so now could be the time for action.

**DURING THESE UNCERTAIN TIMES, TAKING A FRESH LOOK AT YOUR ESTATE PLAN IS ESSENTIAL.
WE STAND READY TO HELP YOU ADDRESS ALL OF YOUR FINANCIAL PLANNING CONCERNS.**

ABOUT FAIRMAN GROUP FAMILY OFFICE

Fairman Group Family Office is a fee-only financial planning firm, located in Chesterbrook, PA, offering financial planning, investment advice, tax preparation and tax planning services to individuals and families in the greater Philadelphia area since 2002. We are a fiduciary who serves you with skill, care, prudence and diligence through a disciplined and integrated process. We do not sell products or insurance and do not accept commissions, referral fees, loads/12b-1s, trails, or any other compensation from outside sources. Investment advisory services are offered through The Fairman Group LLC. The Fairman Group LLC is registered with the Securities and Exchange Commission under Section 203(c) of the Investment Advisers Act of 1940.