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**UT LAW | CLE**

 **TEXAS Law**  
The University of Texas at Austin  
School of Law

# **PLANNING FOR CLIENTS WHO MIGHT HAVE A TAXABLE ESTATE**

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**Estate planning is easy.**

**We just need to know**  
**(i) when a client will pass away,**  
**(ii) how wealthy the client will be, and**  
**(iii) what the tax laws will be.**

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## Overview

- Planning Impact of Transfer Tax Changes
- Three Groups of Clients Based on Projected Net Worth
- Core Estate Planning Alternatives
- Lifetime Gifting Strategies
- Related Ethical Issues
- Concluding Remarks

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## Putting Things in Perspective: 2000 vs. 2024

Tax Attribute	2000	2024
Gift/Estate Exemption	\$675,000	\$13,610,000
GST Tax Exemption	\$1,030,000	\$13,610,000
Maximum Tax Rate	55%	40%
Portability of Estate Exemption	No	Yes

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# New Planning Environment

- Large transfer tax exemptions, lower rates, and portability
- Shifting focus – minimize estate tax vs. income tax
- Uncertainty and fluidity of tax laws
  - Exemptions sunset in 2026
  - Potential legislation

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# Three Client Groups Based on Projected Net Worth

- 1) Clients who are *unlikely* to have a taxable estate
  - Focus on non-tax objectives
- 2) Clients who are *likely* to have a taxable estate
  - Business as usual
- 3) Clients who *might* have a taxable estate
  - Get creative

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## Title search: Planning for Clients Who Might Have a Taxable Estate

Also available as part of the eCourse

[Planning for Clients Who Might Have a Taxable Estate](#)

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