

AUGUST 8, 2024

UT LAW | CLE

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

# PLANNING FOR CLIENTS WHO MIGHT HAVE A TAXABLE ESTATE

---

**JEFF CHADWICK**  
Winstead PC

1

UT LAW | CLE

 **TEXAS Law**

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.

2

2

## 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

3

3

## 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

4

4

## 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

5

5

## 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

6

6

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](http://utcle.org/elibrary)

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

First appeared as part of the conference materials for the 26<sup>th</sup> Annual Estate Planning, Guardianship and Elder Law Conference session "Planning for Clients Who Might Have a Taxable Estate"