Contents

PART I ESTATE PLANNING: A PRACTICE-ORIENTED APPROACH

CHAP	TER 1	HOW TO U	JSE THIS BOOK 1-:			
1.1	Locating	the Proper Fo	rm and Use of Accompanying			
	Material	S				
1.2	The Thre	he Three Major Will and Trust Forms Headings				
1.3	Wills as	Primary Testar	mentary Instruments — Five Categories 1-			
1.4		Revocable (Living) Trusts and Pour-Over Wills (Part VII) — Five				
	_					
1.5	Irrevocal	ole Trusts (Part	t VIII) — Five Categories 1-:			
1.6	Alternati	ve Forms and	Clauses			
1.7	Marylan	d Estate Tax C	onsiderations. 1-			
1.8	Summar	y				
СНАР	TED 2	ECTATE D	LANNING: ESSENTIAL OBJECTIVES 2-			
2.1			anning Objectives: Disposition of Assets and			
2.1			2-			
	2.1.1		State Planning 2-			
	2.1.2	-	anning			
2.2	Initiating		unning Process: Strategies and			
	Recommendations					
	2.2.1	Coordinating	the Different Segments 2-:			
	2.2.2 Initial Client Contact: Objectives					
		*Form 2-1:	Letter to Client Following Initial Client			
			Contact — to Accompany Estate			
			Planning Questionnaire – for			
			Married Client 2			
		*Form 2-2:	Estate Planning Questionnaire —			
		*E 0.04	for Married Client. 2-			
		*Form 2-2A:	Estate Planning Questionnaire — for Single Client 2-1			
	2.2.3	Effective Gat				
	2.2.3	Effective Gathering of Client Information: The Client Estate Planning Questionnaire				
		2.2.3.1	Family Information 2-1'			
		2.2.3.2	Assets and Liabilities			
	2.2.4	2.2.0.2	Meeting			
		2.2.4.1	Information Gathering 2-13			
		2.2.4.2	Dispositive Goals			
		2.2.4.3	Selection of Fiduciaries and Guardians 2-1			
		2.2.4.4	Wills vs. Probate Substitutes. 2-1			
			21			

		*Fo	orm 2-3:	Memorandum to Client Re: Advantages and Disadvantages of Revocable Trusts vis-à-vis Wills in Maryland	2-19
		2.2.4.5 Pov	vers of Att	orney	2-21
2.3	Nature a			ing Engagement and	2 21
2.3		-			2-22
	2.3.1			and Fee	2-22
		*Form 2-4:		gement/Fee Letter with Dual	
				sentation Provisions	2-22.1
	2.3.2	Establishing the I	Fee		2-25
	2.3.3	Ethical Issues in	Representi	ng Both Husband and Wife	2-25
2.4	Cover L	etters to Clients En	closing Dr	raft Documents	2-26
	PART II	COMBINED E ESTATE TAX 1	STATES I	MARRIED COUPLES WITH NOT EXCEEDING LIFETIME ION to Use Simple Wills	
		Overview of Fai	t II. Wileii	to Ose Simple wins	
CH	APTER 3			IARRIED COUPLES WITH	
2.1				•••••	3-1
3.1					3-1
	3.1.1	-	_	sitive Provisions for Wills in	3-1
3.2	Dura "C			to Spouse	3-1
3.2	3.2.1			ovisions	3-2.1
	3.2.1				3-2.1
	3.2.3				3-2.1
	3.2.3		-		3-2.1
	3.2.4	*Form SW-1H:		eart" Wills Estate to	3-3
		"FOIIII SW-1H.	•	ght Gift of Residuary Estate to se, if Surviving; if Not,	
				ght to Adult Children	3-3
		Form SW-1W:	-	panion Will to SW-1H	3-3
	3.2.5	Key Action Subje	_	ategic Planning	3-8
3.3	"Sweeth			e in Trust without Tax	
			_		3-9
	3.3.1	Overall Summary	of Dispos	sitive Provisions	3-9
	3.3.2	Terms of Marital	Trusts —	How They Work	3-10
	3.3.3	When to Use The	se Wills .		3-10
	3.3.4	Comparison of M	[arital/QT]	P vs. Marital/Power of	
		-			3-11
		3.3.4.1 Ma	rital/QTIP	Trust	3-11
		3.3.4.2 Ma	rital/POA	Trust	3-11
	3.3.5	Estate Tax Conse	quences .		3-12

	3.3.6	Forms for "Sweeth	neart/Trust" Wills	3-12			
		Form SW-2H:	Husband with Adult Children: Gift of Residuary Estate to Marital (QTIP) Trust, if Spouse Does Not Survive, Outright to Adult Children	3-12			
		Form SW-2W: Form SW-3H:	Companion Will to SW-2H Husband with Adult Children: Gift of Residuary Estate to Marital POA Trust, Remainder to Distributees Appointed by Surviving Spouse; upon Failure to Exercise Power Remainder to Adult Children; if Spouse Does Not Survive, Outright to Adult Children	3-12			
		Form SW-3W:	Companion Will to SW-3H	3-12			
		*Form SW-2/3:	Template Simple Will Form for Testator with Adult Children with Alternative Dispositive Provisions for Marital Trust (QTIP or POA)	3-12			
	3.3.7	Key Action Subject	ets for Strategic Planning	3-26			
3.4	Wills D		ntright to Children (No Provision				
		for Spouse)					
	3.4.1	Summary of Dispo	ositive Provisions	3-27			
	3.4.2	When to Use Thes	e Wills	3-27			
	3.4.3	Estate Tax Conseq	uences	3-28			
	3.4.4	Caution: Spouse's	Right of Election in Maryland	3-28			
	3.4.5	Will Forms for Ou	tright Disposition to Children	3-28			
		*Form SW-4H:	Male Testator with Adult Children Whose Spouse Has Either Predeceased Him or Is Not to be Left Anything under Will: Outright Gift of Residuary Estate to Adult Children	3-28			
		Form SW-4W:	Companion Will to SW-4H	3-28			
	3.4.6	Key Action Subject	ets for Strategic Planning	3-34			
СНА	PTER 4		S FOR MARRIED COUPLES CHILDREN	4-1			
4.1	Overvie	ew		4-1			
	4.1.1		of Dispositive Provisions for Wills in	4-2			
4.2			to Spouse Outright, with Contingent	4-2.1			
	4.2.1	Summary of Dispo	ositive Provisions	4-3			
	4.2.2		parate Children's Trusts	4-3			
	4.2.3		Trust for Children	4-3			
	4.2.4	When to Use Thes	e Wills	4-4			

	4.2.5	Estate Tax Consequences					
	4.2.6		heart" Wills with Contingent Trusts				
		Form SW-5H:	Husband with Minor Children: Outright Gift of Residuary Estate to Spouse, if Surviving; if Not, to Separate Trusts for Children — Complete Distribution at Age 30				
		Form SW-5W:	Companion Will to SW-5H				
		Form SW-6H:	Outright Gift of Residuary Estate to Spouse, if Surviving; if Not, to Pot Trust for Children — until Youngest Child Attains Age of 25				
		Form SW-6W:	Companion Will to SW-6H				
		*Form SW-5/6:	Template Simple Will Form for Testator with Minor Children with Alternative Dispositive Provisions for Children's Trusts (Separate Trusts or Pot Trust)				
	4.2.7	Key Action Subject	ets for Strategic Planning				
4.3			Spouse in Trust with Contingent				
		for Children					
	4.3.1	Summary of Dispo	ositive Provisions				
	4.3.2	-	of Marital Trusts				
	4.3.3	Distribution Alternatives for Children's Trusts					
	4.3.4	When to Use These Wills					
	4.3.5	Comparison of Marital/QTIP vs. Marital/POA Trust					
	4.3.6	Estate Tax Consequences					
	4.3.7	Forms for "Sweeth	heart Trust' Wills with Children's Trusts				
		Form SW-7H:	Husband with Minor Children: Gift of Residuary Estate to Marital (QTIP) Trust, Remainder (or Entire Estate if Spouse Does Not Survive) to Separate Trusts for Children — Complete Distribution at Age 30				
		Form SW-7W:	Companion Will to SW-7H				
		Form SW-8H:	Husband with Minor Children: Gift of Residuary Estate to Marital (QTIP) Trust, Remainder (or Entire Estate if Spouse Does Not Survive) to Pot Trust for Children — Complete Distribution when Youngest Child Attains Age 25; if Spouse Does Not Survive, to Children's Pot Trust				
		Form SW-8W:	Companion Will to SW-8H				
		Form SW-9H:	Husband with Minor Children: Gift of Residuary Estate to Marital Power of				

			Appointment Trust for Benefit of Spouse for Life, Remainder to Distributees Appointed by Surviving Spouse; upon Failure to Exercise Power, Remainder to Children in Separate Trusts — Complete Distribution at Age 30; if Spouse Does Not Survive, to Separate Trusts for Children — Complete Distribution at Age 30	4-22
		Form SW-9W:	Companion Will to SW-9H	4-22
		Form SW-10H:	Husband with Minor Children: Gift of Residuary Estate to Marital Power of Appointment Trust for Benefit of Wife for Life, Remainder to Distributees Appointed by Surviving Spouse; upon Failure to Exercise Power, Remainder to Children in Pot Trust until Youngest Child Attains Age 25; if Wife Does Not Survive, to Pot Trust until Youngest Child Attains Age 25	4-22
		Form SW-10W:	Companion Will to SW-10H	4-22
		*Form SW-7–10:	Template Simple Will Form for Testator with Minor Children with Alternative Dispositive Clauses for Marital Trusts for Spouse and Trust for Children	4-22
	4.3.8	Key Action Subject	s for Strategic Planning	4-37
4.4			tright to Trust for Minor Children	4-38
	4.4.1	-	sitive Provisions	4-38
	4.4.2		e Wills	4-38
	4.4.3		iences	4-39
	4.4.4	Caution: Spouse's l	Right of Election in Maryland	4-39
	4.4.5	Forms for Wills Dis	sposing of Property to Trust for Minor	4-39
		Form SW-11H:	Male Testator with Minor Children Whose Spouse Has Predeceased Him, or Is to Be Given No Interest under Will: Gift of Residuary Estate to Separate Trusts for Children — Complete Distribution at Age 30	4-39
		Form SW-11W:	Companion Will to SW-11H	4-40
		Form SW-12H:	Male Testator with Minor Children Whose Spouse Has Predeceased Him, or Is to Be Given No Interest under Will: Gift of Residuary Estate to Pot	

se to Be of arate 4 4 4 4 4 4 4 4 1	40 40 51
se to Be of arate 4 4 R/BYPAS QUEST COUPLES	-40 -51
to Be of arate 4 4 R/BYPAS QUEST COUPLES FIME	-51
to Be of arate 4 4 R/BYPAS QUEST COUPLES FIME	-51
of Arrate 4 4 R/BYPAS QUEST COUPLES FIME	-51
arate 4 4 R/BYPAS QUEST COUPLES FIME	-51
4 4 R/BYPAS QUEST COUPLES FIME	-51
4 R/BYPAS QUEST COUPLES FIME	-51
R/BYPAS QUEST COUPLES FIME	S
COUPLES FIME	
ГІМЕ	3
	,
/	
ER/	
• • • •	5-1
	5-1
	J-1
	5-3
	5-4
	5-6
	5-7
• • • •	5-7
	6-1
	6-1
	6-1
	6-2
	6-2
	6-4
	6-4
	6-5
	COUPLES FIME JNT) ER/

		Form TP-1H:	Marital Bequest Outright to Spouse; Credit Shelter Bequest to Residuary/ Bypass Trust with Income and				
			Principal to Spouse, Remainder (or Entire Estate if Spouse Does				
			Not Survive) to Living Descendants,				
		E TD 1W	per Stirpes	6-5			
		Form TP-1W:	ı	6-5			
		Form TP-2H:	Marital Bequest Outright to Spouse; Credit Shelter Bequest to Residuary/				
			Bypass Trust with Spray of Income and				
			Principal to Spouse and Children,				
			Remainder (or Entire Estate if Spouse				
			Does Not Survive) to Living Descendants,				
		E	1 1	6-5			
		Form TP-2W:	Companion Will to TP-2H	6-5			
		Form TP-3H:	Marital Bequest Outright to Spouse; Credit Shelter Bequest to Residuary/				
			Bypass Trust with Income to Spouse,				
			Spray of Principal to Spouse and				
			Children, Remainder (or Entire Estate if				
			Spouse Does Not Survive) to Living				
			Descendants, per Stirpes	6-5			
		Form TP-3W:	ı	6-5			
		*Form TP-1–3:	Template Form for Testator with Adult Children: with Alternative Dispositive	6-6			
	6.1.7	Client Presentation	Methods for Residuary/Bypass Trust n Charts for TP-1, TP-2, and TP-3	0-0 5-17			
	6.1.8			5-1 <i>7</i> 5-19			
6.2		•	e e)-1 <i>></i>			
0.2		Wills with Bypass Trust and Outright Marital Bequest for Married Couples with Minor Children					
	6.2.1	General Description of Wills. 6-					
	6.2.2	Overall Summary	of Dispositive Provisions6	5-21			
	6.2.3		of Dispositive Provisions of Credit				
		Shelter/Bypass Tru	sst and Estate Tax Effects6	5-21			
	6.2.4	When to Use Thes	e Wills	5-24			
	6.2.5	Estate Tax Conseq	uences 6	5-24			
	6.2.6	Forms for Bypass	Trust and Outright Marital — with				
		Trusts for Children	1	5-25			
		Form TP-4H:	Marital Bequest Outright to Spouse;				
			Credit Shelter Bequest to Residuary/				
			Bypass Trust with Income and Principal to Spouse, Remainder (or Entire Estate if				
			Spouse Does Not Survive) to Living				
			Descendants, per Stirpes (Separate				
			Trusts for Descendants under 30) 6	5-25			

Form TP-4W:	Companion Will to TP-4H	6-25
Form TP-5H:	Marital Bequest Outright to Spouse; Credit Shelter Bequest to Residuary/ Bypass Trust with Spray of Income and Principal to Spouse and Children, Remainder (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stirpes (Separate Trusts for Descendants under 30)	6-25
Form TP-5W:	Companion Will to TP-5H	6-26
Form TP-6H:	Marital Bequest Outright to Spouse; Credit Shelter Bequest to Residuary/ Bypass Trust with Income to Spouse and Spray of Principal to Spouse and Children, Remainder (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stirpes (Separate Trusts	
	for Descendants under 30)	6-26
Form TP-6W:	Companion Will to TP-6H	6-26
Form TP-7H:	Marital Bequest Outright to Spouse; Credit Shelter Bequest to Residuary/ Bypass Trust with Income and Principal to Spouse, Remainder (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stirpes (Pot Trust until Youngest Child Attains 25)	6-26
Form TP-7W:	Companion Will to TP-7H	6-26
Form TP-8H:	Marital Bequest Outright to Spouse; Credit Shelter Bequest to Residuary/ Bypass Trust with Spray of Income and Principal to Spouse and Children, Remainder (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stirpes (Pot Trust until Youngest	
E ED OW	Child Attains 25)	6-26
Form TP-8W:	Companion Will to TP-8H	6-26
Form TP-9H:	Marital Bequest Outright to Spouse; Credit Shelter Bequest to Residuary/ Bypass Trust with Income to Spouse and Spray of Principal to Spouse and Children, Remainder (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stirpes (Pot Trust until Youngest Child Attains 25)	6-26
Form TP-9W:	Companion Will to TP-9H	6-26
*Form TP-4–9:	Template Form for Testator with Minor	0 20
	Children: with Alternative Dispositive	

			Methods for Residuary/Bypass Trust and Trust for Children			
	6.2.7		n Charts for TP-4, TP-5, TP-6,			
			P-9			
	6.2.8	Key Action Subject	ets for Strategic Planning			
CHA	PTER 7	QTIP TRUSTS WITH BYPASS	AX PLANNING WITH MARITAL/ ("A" SHARE) IN COMBINATION TRUST ("B" SHARE): THE "A-B" TURE			
7.1	Descrip	otion of the "A-B" Tru	ast Structure			
7.2	The Ma	arital Trust In Genera	1			
7.3			action and Strategic Planning with			
7.4			f QTIP Trust			
7.5			ng and QTIP Trusts			
CHA	PTER 8	BYPASS TRUST COUPLES WIT EXCEEDING L	G WILLS WITH QTIP AND IS: FOR MARRIED IH COMBINED ESTATES IFETIME EXEMPTION FORMULA)			
8.1		Wills with QTIP and Bypass Trusts — for Married Couples with Adult Children.				
	8.1.1	General Description of Wills				
	8.1.2		ositive Provisions			
	8.1.3	Summary of Dispo	ositive Provisions and Estate Tax Effects dit Shelter/Bypass Trusts			
	8.1.4		e Wills			
	8.1.5	Estate Tax Conseq	uences			
	8.1.6	Form Wills with Q	TIP and Bypass Trusts — Married Children			
		Form TP-10H:	Marital Bequest to QTIP Trust; Credit Shelter Bequest to Residuary/Bypass Trust with Income and Principal to Spouse; Remainder (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stirpes			
		Form TP -10W:	Companion Will TP-10H			
		Form TP-11H:	Marital Bequest to QTIP Trust; Credit Shelter Bequest to Residuary/Bypass Trust with Spray of Income and Principal to Spouse and Children; Remainder (or Entire Estate if Spouse Does Not Survive)			
			to Living Descendants, per Stirpes			
		Form TP-11W:	Companion Will to TP-11H			

		Form TP-12H:	Marital Bequest to QTIP Trust; Credit Shelter Bequest to Residuary/Bypass Trust with Income to Spouse, Spray of Principal to Spouse and Children; Remainder (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stirpes	, 8-4	
		Form TP-12W:	Companion Will to TP-12H	8-4	
		*Form TP-10–12:	Template Form for Testator with Adult Children: Marital (QTIP) Trust with Alternative Dispositive Methods for Residuary/Bypass Trust	8-4	
	8.1.7	Client Presentation	Charts for TP-10, TP-11, and TP-12	8-17	
	8.1.8		s for Strategic Planning	8-21	
8.2	Wills w		Frusts — Married Couples with		
				8-22	
	8.2.1	General Description	of Wills	8-22	
	8.2.2	Summary of Dispos	sitive Provisions	8-22	
	8.2.3	Summary of Dispos	sitive Provisions and Tax Effects		
		of Marital and Cred	it Shelter/Bypass Trusts	8-22	
	8.2.4	When to Use These	Wills	8-22.1	
	8.2.5	Estate Tax Consequ	ences	8-22.1	
	8.2.6	Form Wills with QTIP and Bypass Trust — for Married			
		-	Children	8-23	
		Form TP-13H:	Marital Bequest to QTIP Trust; Credit Shelter Bequest to Residuary/Bypass Trust with Income and Principal to Spouse; Remainder (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stirpes (Separate Trusts		
			for Descendants under 30)	8-23	
		Form TP-13W:	Companion Will to TP-13H	8-23	
		Form TP-14H:	Marital Bequest to QTIP Trust; Residuary/Bypass Trust with Spray of Income and Principal to Spouse and Children; Remainder (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stirpes (Separate Trusts for Descendants under 30)	8-23	
		Form TP-14W:	Companion Will to TP-14H	8-23	
		Form TP-15H:	Marital Bequest to QTIP Trust; Credit Shelter Bequest to Residuary/ Bypass Trust with Income to Spouse and Spray of Principal to Spouse and Children; Remainder (or Entire Estate if Spouse Does Not Survive) to Living		

			Descendants, <i>per Stirpes</i> (Separate Trusts for Descendants under 30)	8-23
		Form TP-15W:	Companion Will to TP-15H	8-23
		Form TP-16H:	Marital Bequest to QTIP Trust; Credit Shelter Bequest to Residuary/Bypass Trust with Income and Principal to Spouse; Remainder (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stirpes (Pot Trust until Youngest Child Attains 25)	8-23
		Form TP-16W:	Companion Will to TP-16H	8-23
		Form TP-17H:	Marital Bequest to QTIP Trust; Credit Shelter Bequest to Residuary/Bypass Trust with Spray of Income and Principal to Spouse and Children; Remainder (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stripes (Pot Trust until Youngest	0.22
		Form TP-17W:	Child Attains 25)	8-23 8-23
		Form TP-18H:	Marital Bequest to QTIP Trust; Credit Shelter Bequest to Residuary/Bypass Trust with Income to Spouse and Spray of Principal to Spouse and Children; Remainder (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stirpes (Pot Trust until Youngest Child Attains 25)	8-23
		Form TP-18W:	Companion Will to TP-18H	8-23
		*Form TP-13–18:	Template Form for Testator with Minor Children: with QTIP Trust and Alternative Dispositive Methods for Residuary/Bypass Trust and for Trusts for Children	8-24
	8.2.7		Charts for TP-13, TP-14, TP-15, TP-18	8-40
	8.2.8	Key Action Subject	s for Strategic Planning	8-50
СНАР	TER 9	("A") AND CREI SHARES: USE O SHELTER AND BEQUESTS (RE	G WILLS WITH MARITAL DIT SHELTER ("B") DF PECUNIARY CREDIT RESIDUARY MARITAL VERSE PECUNIARY	
0.1	O '			9-1
9.1 9.2	"Revers	se Pecuniary" Wills wi	iderationsith Bypass Trust and Outright	9-1
	Marıtal	Bequest — Married C	Couples with Adult Children	9-1

	9.2.1	General Description of Wills		9-1		
	9.2.2	Summary of Dispositive Provisions				
	9.2.3	When to Use These Wills		9-2		
	9.2.4	Estate Tax Consequences				
	9.2.5	Form Reverse Pecuniary Wills with Bypass Trust and				
		Outright Marital Bequest		9-3		
		*Form TP-19H: Pecuniary Credit Shelter Bequest of Bypass Trust for Benefit of Spouse and Children; Marital Bequest Ou to Spouse; Remainder (or Entire Eif Spouse Does Not Survive) to	e tright Estate	9-3		
		Living Descendants, per Stirpes Form TP-19W: Companion Will to TP-19H		9-3 9-3		
	9.2.6	Form TP-19W: Companion Will to TP-19H		9-3 9-14		
9.3		se Pecuniary" Wills for Married Couples with Adult		9-14		
9.3		en (with QTIP Trust)		9-15		
	9.3.1	General Description of Wills.				
	9.3.2	Summary of Dispositive Provisions				
	9.3.3	When to Use These Wills				
	9.3.4	Estate Tax Consequences				
	9.3.5	Form Reverse Pecuniary Wills with QTIP and Bypass				
		Trusts				
		*Form TP-20H: Pecuniary Credit Shelter Bequest to Bypass Trust; Marital Bequest t QTIP Trust; Remainder (or Entire Estate if Spouse Does Not Survive				
		to Living Descendants, per Stirpes	7	9-17		
		Form TP-20W: Companion Will to TP-20H		9-17		
	9.3.6	Client Presentation Chart for TP-20		9-29		
9.4		"Reverse Pecuniary" Wills with Bypass Trust and Outright Marital Bequest for Married Couples with Minor Children				
		Tarital Bequest for Married Couples with Minor Children				
	9.4.1	General Description of Wills		9-31		
	9.4.2	Summary of Dispositive Provisions		9-31		
	9.4.3	When to Use These Wills		9-32		
	9.4.4	Estate Tax Consequences	• • • • •	9-32.1		
	9.4.5	Form Reverse Pecuniary Wills with Bypass Trust and		9-33		
		Outright Marital		9-33		
		Bypass Trust for Benefit of Spouse				
		Children; Marital Bequest Outrigh				
		to Spouse; Remainder (or Entire E	Estate			
		if Spouse Does Not Survive) to Li	_			
		Descendants, per Stirpes (Separate	.	0_3/		
		iriicic for Children iinder 300		U_ 4/I		

		Form TP-21W:	Companion Will to TP-21H	9-34
		Form TP-22H:	Pecuniary Credit Shelter Bequest to Bypass Trust for Benefit of Spouse and Children; Marital Bequest Outright to Spouse; Remainder (or Entire Estate if Spouse Does Not Survive) to Pot Trust	
		E TD 22W	until Youngest Child Attains 25	9-34
		Form TP-22W: *Form TP-21/22:	Companion Will to TP-22H	9-34 9-34
	9.4.6	Client Presentation	Charts for TP-21 and TP-22	9-47
9.5	"Reverse	e Pecuniary" Wills for	Married Couples with Minor	
	Children	n (with QTIP Trust)		9-50
	9.5.1	General Description	of Wills	9-50
	9.5.2	Summary of Dispos	itive Provisions	9-50
	9.5.3	When to Use These	Wills	9-51
	9.5.4	Estate Tax Conseque	ences	9-52
	9.5.5	Form Reverse Pecui	niary Wills with QTIP and Bypass	
		Trusts		9-52
		Form TP-23H:	Pecuniary Credit Shelter Bequest to Bypass Trust; Marital Bequest to QTIP Trust; Remainder of Trusts (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stirpes (Separate Trusts for Children under 30)	9-52
		Form TP-23W:	Companion Will to TP-23H	9-52
		Form TP-24H:	Pecuniary Credit Shelter Bequest to Bypass Trust; Marital Bequest to QTIP Trust; Remainder of Trusts (or Entire Estate if Spouse Does Not Survive) to Pot Trust until Youngest Child Attains 25	9-52
		Form TP-24W:	Companion Will to TP-24H	9-52
		*Form TP-23/24:	Template Form for Married Testator with Minor Children; Pecuniary Credit Shelter Bequest to Bypass Trust; Marital Bequest to QTIP Trust; Alternative Clauses for Children's Trusts (Separate Trusts or Pot Trust)	9-53
	9.5.6	Client Presentation	Charts for TP-23 and TP-24	9-68
	9.5.7	Key Action Subjects	s for Strategic Planning	9-72

PART IV

TRUSTS: MARRIED COUPLES WITH COMBINED ESTATES APPROACHING OR EXPECTED TO EXCEED LIFETIME EXEMPTION OR WHO DESIRE A FLEXIBLE APPROACH CHAPTER 10 STRATEGIC PLANNING WITH "FLEXIBLE" DISCLAIMER TRUSTS..... 10-1 10.1 10-1 10.2 Requirements of a Qualified Disclaimer..... 10-2 10.2.1 10-2 10.2.2 10-3 Disclaimer of Shares of Stock *Form 10-1: 10-4 *Form 10-2: Disclaimer of Interest under Revocable 10-510.3 10-6 10.4 Reducing the Marital Deduction Through a Disclaimer: A Case Study..... 10-6 Increased Use of Disclaimer Trusts under EGTRRA and ATRA 2012 . . . 10.5 10 - 710.5.1 The Impact of the Increasing Lifetime Exemption on Formula Clause Wills and Revocable Trust — 10-710.5.2 10-8 10.5.3 Some Pitfalls and Disadvantages of Disclaimer Approach.... 10-9 10.6 Increased Use of Disclaimer Trusts in Light of Maryland's "Decoupled" Estate Tax 10-10 CHAPTER 11 TAX PLANNING WILLS WITH DISCLAIMER 11-1 11.1 11-111.1.111-111.1.2 Summary of Dispositive Provisions and Tax Effects of 11-111.1.3 11 - 311.1.4 11 - 3Form Wills with Disclaimer Trusts — for Married Couples 11.1.5 with Adult Children..... 11-4 Form DW-1H: Gift of Residuary Estate Outright to Spouse with Disclaimer Option to "Disclaimer Trust" for Benefit of Spouse, Remainder (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stirpes..... 11-4

"FLEXIBLE" TAX PLANNING WILLS WITH DISCLAIMER

Form DW-1W:

Form DW-2H:

Companion Will to DW-1H

Gift of Residuary Estate Outright to Spouse with Disclaimer Option to 11-4

			"Disclaimer Trust" for Benefit of		
			Spouse and Descendants during		
			Spouse's Life (Preference to Spouse),		
			Remainder (or Entire Estate if Spouse		
			Does Not Survive) to Living Descendants	,	
			per Stirpes	11-4	
		Form DW-2W:	Companion Will to DW-2H	11-4	
		Form DW-3H:	Gift of Residuary Estate Outright		
			to Spouse with Disclaimer Option		
			to "Disclaimer Trust" (Income to		
			Spouse, Spray of Principal to Spouse		
			and Descendants), Remainder (or Entire		
			Estate if Spouse Does Not Survive)		
			to Living Descendants, per Stirpes	11-4	
		Form DW-3W:	Companion Will to DW-3H	11-4	
		*Form DW-1–3:	Template Form for Married Testator		
			with Adult Children: Will with		
			"Disclaimer Trust" with Alternative		
			Methods for Trust Distributions	11-4	
	11.1.6		ts for Strategic Planning	11-16	
11.2	Disclain		Couples with Minor Children	11-16	
	11.2.1	Dispositive Provisi	ons of Wills in Category	11-17	
	11.2.2	Summary of Dispo	sitive Provisions and Tax Effects of		
		Disclaimer Trust .		11-17	
	11.2.3	When to Use These	e Wills	11-20.1	
	11.2.4	Estate Tax Consequ	uences	11-20.1	
	11.2.5	Form Wills with Disclaimer Trusts for Married Couples			
		with Minor Childre	en	11-21	
		Form DW-4H:	Gift of Residuary Estate Outright to		
			Spouse with Disclaimer Option to		
			"Disclaimer Trust" for Benefit		
			of Spouse, Remainder (or Entire		
			Estate if Spouse Does Not Survive)		
			to Living Descendants, per Stirpes		
			(Separate Trusts for Descendants		
			under 30)	11-21	
		Form DW-4W:	Companion Will DW-4H	11-21	
		Form DW-5H:	Gift of Residuary Estate Outright to		
			Spouse with Disclaimer Option to		
			"Disclaimer Trust" — Spray of Income		
			and Principal to Spouse and		
			Descendants; Remainder (or Entire		
			Estate if Spouse Does Not Survive)		
			to Living Descendants, per Stirpes		
			(Separate Trusts for Descendants		
			under 30)	11-21	

	Form DW-5W:	Companion Will to DW-5H	11-21
	Form DW-6H:	Gift of Residuary Estate Outright to Spouse with Disclaimer Option to "Disclaimer Trust" — Income to Spouse, Spray of Principal to Spouse and Children, Remainder (or Entire Estate if Spouse Does Not Survive) to Living Descendants, per Stirpes (Separate Trusts for Descendants under 30)	11-21
	Form DW-6W:	Companion Will to DW-6H	11-21
	Form DW-7H:	Gift of Residuary Estate Outright to Spouse with Disclaimer Option to "Disclaimer Trust" for Benefit of Spouse, Remainder (or Entire Estate if Spouse Does Not Survive) to Pot Trust until Youngest Child	
	E DW 7W.	Attains 25	11-21
	Form DW-7W: Form DW-8H:	Companion Will DW-7H	11-21
	Foliii DW-6H.	Gift of Residuary Estate Outright to Spouse with Disclaimer Option to "Disclaimer Trust" — Spray of Income and Principal to Spouse and Descendants; Remainder (or Entire Estate if Spouse Does Not Survive) to Pot Trust until Youngest Child Attains 25	11-21
	Form DW-8W:	Companion Will to DW-8H	11-21
	Form DW-9H:	Gift of Residuary Estate Outright to Spouse with Disclaimer Option to "Disclaimer Trust" — Income to Spouse, Spray of Principal to Spouse and Descendants; Remainder (or Entire Estate if Spouse Does Not Survive) to Pot Trust until Youngest Child Attains 25	11-21
	Form DW-9W:	Companion Will to DW-9H	11-21
	*Form DW-4_9:	Template Form for Married Testator with Minor Children with "Disclaimer Trust" with Alternative Methods for Distribution During Lifetime of Spouse and Alternative Children's	
		Trusts	11-21
11.2.6	Key Action Subject	ts for Strategic Planning	11-38

PART V GENERATION-SKIPPING TRANSFER ("GST") TAX PLANNING WITH GENERATION-SKIPPING TRUSTS — FOR LARGE ESTATES

CHAI	PTER 12		LANNING WITH GENERATION-
12.1	Overvie		pping Transfer Tax (GST)
12.1			ne GST Exemption
12.3			emption — Benefits to Children and
12.4			on to Assets with Greatest Appreciation
12.7		-	Assets with Greatest Appreciation
12.5			ration-Skipping Trusts
12.6			n: Allocating First Spouse's GST
12.0			
12.7	-		n-Exempt Marital Trust to Allocate
			g Spouse
12.8	Ramifica	ations and Drafting (Considerations in Light of
	EGTRR	A, TRA 2010 and A	ΓRA 2012
~~			~ ·
CHAI	PTER 13		G WILLS WITH SKIPPING TRUSTS
13.1	Wills wi		oing Trusts for Married Couples
13.1			
	13.1.1		on of Wills
	13.1.2	•	ositive Provisions
	13.1.3		eneration-Skipping Trusts
		*Form GST-1H:	Marital Bequest Divided into Exempt
			GST and Nonexempt Trusts; Credit
			Shelter Bequest to Exempt Bypass GST
			for Benefit of Spouse and Children;
			Remainder — Exempt Trusts to Separate
			GST Trusts for Children, Nonexempt
		E COT 1W	to Living Descendants, per Stirpes
		Form GST-1W:	Companion Will to GST-1H
		*Form GST-2H:	Marital Bequest Divided into Exempt
			GST and Nonexempt Trusts; Credit Shelter Bequest to Exempt Bypass
			GST Trust for Benefit of Spouse
			and Children; Remainder — Exempt
			Trusts to Separate GST Trusts for
			Children, Nonexempt to Living
			Descendants, per Stirpes (with
			Flexibility for Distribution of
			Remainder of Nonexempt Trust to
			Children's GST Trusts)

Form GST-2W:	Companion Will to GST-2H	13-3
Form GST-3H:	Marital Bequest Divided into Exempt	
	GST and Nonexempt Trusts; Credit	
	Shelter Bequest to Separate Exempt	
	GST Trusts for Children; Remainder —	
	Exempt Marital to Exempt Children's	
	Trusts, Nonexempt Trust to Living	
	Descendants, per Stirpes	13-3
Form GST-3W:	Companion Will to GST-3H	13-3
Form GST-4H:	Marital Bequest Divided into Exempt	
	GST and Nonexempt Trusts;	
	Credit Shelter Bequest to Separate	
	Exempt GST Trusts for Children;	
	Remainder of Exempt Trusts to	
	Exempt Children's Trusts, Nonexempt	
	to Living Descendants, per Stirpes	
	(with Flexibility for Distribution of	
	Remainder to Nonexempt Trust to Children's GST Trusts)	13-3
E COT AW		
Form GST-4W:	Companion Will to GST-4H	13-3
Form GST-5H:	Marital Bequest Divided into Exempt	
	GST and Nonexempt Trust; Credit	
	Shelter Bequest to Exempt GST	
	Bypass Trust for Benefit of Spouse and Children; Remainder — Exempt	
	Trusts to GST Spray Trust for Children	
	and Descendants, Nonexempt to Living	
	Descendants, per Stirpes	13-3
Form GST-5W:	Companion Will to GST-5H	13-3
Form GST-6H:	Marital Bequest Divided into Exempt	15 5
Tomi GST-off.	GST and Nonexempt Trusts; Credit	
	Shelter Bequest to Exempt GST Bypass	
	Trust for Benefit of Spouse and Children;	
	Remainder — Exempt Trusts to GST Spray	
	Trust for Children and Descendants,	
	Nonexempt to Living Descendants,	
	per Stirpes (with Flexibility for	
	Distribution of Remainder of Nonexempt	
	Trust to Children's GST Trusts)	13-4
Form GST-6W:	Companion Will to GST-6H	13-4
Form GST-7H:	Marital Bequest Divided into Exempt	
	and Nonexempt Trusts; Credit Shelter	
	Bequest to Spray GST Trust for	
	Descendants; Remainder—Exempt	
	Marital to Descendant's Trust; Remainder	
	of Nonexempt Trust to Living Descendants,	
	per Stirpes	13-4

		Form GST-7W: Form GST-8H:	Companion Will to GST-7H Marital Bequest Divided into Exempt	13-4
		7 01111 00 1 0111	and Nonexempt Trusts; Credit Shelter	
			Bequest to Spray GST Trust for	
			Descendants; Remainder — Exempt	
			Marital to Descendant's Trust;	
			Remainder of Nonexempt Trust to Living Descendants, <i>per Stirpes</i>	
			(with Flexibility for Distribution of	
			Remainder of Nonexempt Trust to	
			Children's GST Trusts)	13-4
		Form GST-8W:	Companion Will to GST-8H	13-4
	13.1.4	Client Presentation	Charts for All GST Wills	13-37
	13.1.5	Key Action Subject	ts for Strategic Planning	13-54
I	PART VI	WILLS FOR UN	MARRIED INDIVIDUALS	
		(SINGLE, WIDO	OWED, DIVORCED)	
CHAI	PTER 14		MARRIED INDIVIDUALS	
1.4.1			OWED, DIVORCED)	14-1
14.1		•	sitive Summary of Wills Selected	14-1
14.2	•		Persons with Adult Children	14-3
	14.2.1		sitive Provisions	14-3
	14.2.2		e Wills	14-3
	14.2.3		dences	14-3
	14.2.4	-	for Unmarried Persons with Adult	14-3
		*Form UM-1M:	Unmarried Testator with Adult	
			Children: Outright Gift of	
			Residuary Estate to Adult	14.0
		E ID/1E	Children	14-3
		Form UM-1F:	Corresponding Will to UM-1M for Testatrix	14-3
14.3	Wills for	r Unmarried Persons	with Minor Children	14-9
1.5	14.3.1		sitive Provisions	14-9
	14.3.2		parate Trusts for Children	14-9
	14.3.3	-	Trusts for Children	14-9
	14.3.4		e Wills	14-10
	14.3.5		uences	14-10
	14.3.6		for Unmarried Persons with Minor	1.10
		Children		14-10
		Form UM-2M:	Unmarried Testator with Minor	
			Children: Gift of Residuary Estate to	
			Separate Trusts for Children —	14.10
			Complete Distribution at Age 30	14-10

		Form UM-2F:	Corresponding Will to UM-2M for Testatrix	14-10
		Form UM-3M:	Unmarried Male Testator with Minor Children: Gift of Residuary	
			Estate to Pot Trust until Youngest Child Reaches 25	14-10
		Form UM-3F:	Corresponding Will to UM-3M for Testatrix	14-10
		*Form UM-2/3:	Template Form for Unmarried Testator with Minor Children with Alternative Dispositive Methods of Residuary	
			Estate Clauses for Separate Trusts and Pot Trust	14-10
14.4	Will for	Unmarried Individua	als without Children	14-22
	14.4.1	Overview		14-22
	14.4.2	Summary of Dispo	sitive Provisions	14-23
	14.4.3	When to Use These	e Wills	14-23
	14.4.4	Estate Tax Consequ	uences	14-23
	14.4.5	Form Wills for Uni	married Individuals without Children	14-24
		*Form UM-4M:	Unmarried Testator Who Desires to Benefit Friend/Companion: Gift of	
			Residuary Estate to Trust for	
			Friend/Companion for Life, Remainder	
			to Nieces and Nephews (Separate Trusts if under 30)	14-24
		Form UM-4F:	Corresponding Will to UM-4M for	14-24
		FOIIII UM-4F.	Testatrix	14-24
14.5	Pour-Ov	ver Will to Revocable	Trust	14-34
	14.5.1		sitive Provisions	14-34
	14.5.2		e Wills	14-35
	14.5.3		uences	14-35
	14.5.4		7111	14-35
		*Form UM-5M:	Will for Unmarried Male Testator Pour-Over Will — to Revocable	
			Trust Created during Lifetime	14-35
		Form UM-5F:	Corresponding Will to UM-5M for	
			Unmarried Testatrix	14-35
14.6		_	with Generation-Skipping Trusts	14-41
	14.6.1			14-41
	14.6.2		of Dispositive Provisions	14-41
	14.6.3	· ·	Wills for Unmarrieds	14-41
	14.6.4		of Dispositive Provisions of GST	14.42
		1TUSTS		14-42

14.6.5	When to Use These	e Wills	14-4
14.6.6	Form Wills for Uni Skipping Trusts	married Individuals with Generation-	14-4
	Form UM-6M:	Unmarried Testator with Adult Children: Residuary Bequest to Be Divided into: (1) Exempt Portion — Separate Generation-Skipping Trusts for Children, Remainder to Grandchildren with Limited Power of Appointment to Children; and (2) Nonexempt Portion — Outright to Living Descendants, per Stirpes	14-4
	Form UM-6F:	Corresponding Will to UM-6M for Testatrix	14-4
	Form UM-7M:	Unmarried Testator with Adult Children: Residuary Bequest to Be Divided into: (1) Exempt Portion — Separate Generation-Skipping Trusts for Benefit of Each Child and Child's Descendants During Lifetime of Child, Remainder to Grandchildren with Limited Power of Appointment to Children; and (2) Nonexempt Portion — Outright to Living Descendants, per Stirpes.	14-4
	Form UM-7F:	Corresponding Will to UM-7M for Unmarried Testatrix	14-4
	Form UM-8M:	Unmarried Testator with Adult Children: Residuary Bequest to Be Divided into: (1) Exempt Portion — Dynasty Generation-Skipping Trust for Benefit of Descendants for Maximum Period Allowed by Rule Against Perpetuities; and (2) Nonexempt Portion — Outright to Living Descendants, per Stirpes	14-4
	Form UM-8F:	Corresponding Will to UM-8M for Unmarried Testatrix	14-4
	*Form UM-6–8:	Template Will Forms for Unmarried Testator with Adult Children: with Alternative Dispositive Methods for Residuary Bequest — Division between Exempt and Nonexempt Portions	14-4
4.6.7	Key Action Subject	ts for Strategic Planning	14-5

PART VII REVOCABLE (LIVING) TRUSTS AND POUR-OVER WILLS

СНАР	TER 15	TRUSTS	GIC PLANNING WITH REVOCABLE AS PRIMARY TESTAMENTARY MENT	15-1
15.1	Revocab		Will Substitutes: Advantages, Disadvantages,	
	and Prac	ctical Conside	erations	15-1
	15.1.1	Overview.		15-1
	15.1.2	Practical U	ses, Advantages, and Disadvantages	15-1
		15.1.2.1	Probate Avoidance	15-1
			Form 15-A: Probate Fees in Maryland	15-2
		15.1.2.2	Estate and Income Taxes	15-3
		15.1.2.3	Planning for Incapacity	15-3
		15.1.2.4	Ancillary Administration: Real Estate in More than One State	15-4
		15.1.2.5	Potential for Will Contests	15-4
	15.1.3			15-4
15.2		,	ation of Revocable Trust/Pour-Over Will	13-4
13.2		_		15-4
	15.2.1		Assets to Trust	15-4
		*Form 15-1		
			Revocable Trust	15-4.1
		*Form 15-2	2: Life Estate Deed with Powers	15-4.3
		*Form 15-3	3: Life Estate Deed without Powers	15-4.4
	15.2.2	Trustee		15-5
	15.2.3	-	Provisions During Life of Settlor and upon	15-5
	15.2.4		voke	15-5
	15.2.5	_	cation Number	15-5
	15.2.6		quences of a Revocable Trust	15-5
	13.2.0	15.2.6.1	Gift Taxes	15-5
		15.2.6.2	Income Tax	15-6
		15.2.6.3	Estate Tax	15-6
	15.2.7		Will	15-6
15.3			Forms	15-6
13.3	Overan	Summary of	1 OHHS	13-0
CHAP	PTER 16		BLE TRUSTS AND POUR-OVER WILLS MARRIED INDIVIDUALS	16-1
16.1	Overall		Forms and Dispositive Summary	16-1
16.2		-	ust and Pour-Over Will for Unmarried	
			Children (RT-1 and PO-1)	16-2.1
	16.2.1	Summary o	of Dispositive Provisions of RT-1	16-2.1
	16.2.2	When to U	se This Revocable Trust (RT-1)	16-2.1
	16.2.3	Income, Gi	ft. and Estate Tax Consequences	16-3

	16.2.4	Forms		16-3
		*Form RT-1:	Revocable Trust Agreement for Unmarried Settlor — Outright Disposition to Adult Children at Death	
			of Settlor	16-4
		*Form PO-1:	Pour-Over Will — to Accompany RT-1.	16-12
16.3			ver Will for Unmarried Individuals PO-2)	16-17
	16.3.1	,	ositive Provisions of RT-2	16-17
	16.3.2	• •	Revocable Trust (RT-2)	16-17
	16.3.3		Estate Tax Consequences	16-18
	16.3.4			16-18
		*Form RT-2:	Revocable Trust Agreement for Unmarried Settlor Who Wishes to Benefit Friend/Companion — to Friend/Companion for Life, Remainder to Nieces and Nephews	
		*E DO 2	(in Trust if under 30)	16-19
16.4	with Ch	ildren — with Gener	Pour-Over Will—to Accompany RT-2 Over Wills for Unmarried Individuals ration-Skipping PO-3/4)	16-29 16-34
	16.4.1		ositive Provisions of RT-3 and RT-4	16-34
	16.4.2		Provisions for Unmarrieds	16-34
	16.4.3	-	and Estate Tax Effects of Dispositive	10-34
	10.1.5	-	Exempt Trusts under RT-3 and RT-4	16-35
	16.4.4		e Revocable Trusts (RT-3 and RT-4)	16-36
	16.4.5			16-36
		*Form RT-3:	Revocable Trust Agreement for Unmarried Individual with Adult Children — with GST Trusts for Children upon Death of Settlor	16-37
		*Form RT-4:	Revocable Trust Agreement for Unmarried Individual with Adult Children — with Dynasty Trust for Descendants for Maximum Perpetuities Period	16-47
		*Form PO-3/4:	Pour-Over Will — to Accompany RT-3 and RT-4	16-58
	TER 17	WILLS FOR M TAX PLANNIN	TRUSTS AND POUR-OVER ARRIED COUPLES WITHOUT G (COMBINED ESTATES NG LIFETIME EXEMPTION)	17-1

17.2	Summary of Dispositive Provisions of RT-5				
17.3	When to Use This Revocable Trust (RT-5)				
17.4	Income, Gift, and Estate Tax Consequences				
17.5	Forms		17-4		
	*Form RT-5:	Simple Revocable Trust Agreement for Married Settlor — Outright Disposition to Spouse upon Death of Settlor (to Children if Spouse Does Not Survive)	17-4.1		
	*Form PO-5–9:	Pour-Over Will — to Accompany RT-5–9	17-13		
CILAR	TED 10 DEV				
СНАР	WITH MAR	OCABLE TRUSTS AND POUR-OVER WILLS I CREDIT SHELTER/BYPASS TRUSTS — FOR RIED COUPLES WITH COMBINED ESTATES	10.1		
18.1		EEDING LIFETIME EXEMPTION	18-1		
		g with Credit Shelter/Bypass Trusts	18-1		
18.2		positive Provisions of RT-6	18-2		
18.3		y of Dispositive Provisions of Credit rust under RT-6 and Estate Tax Effects	18-2.1		
18.4	• •	Structuring Bypass Trust	18-3		
18.4A		Trust with a Limited Power of Appointment to	10-3		
10.71		mer	18-4		
18.5		vocable Trust RT-6	18-5		
18.6		Estate Tax Consequences	18-5		
18.7	Forms.				
	*Form RT-6:	Revocable Trust Agreement for Married Settlor — with Credit Shelter/Bypass Trust	18-6		
	*Form PO-5–9:	Pour-Over Will — to Accompany RT-6	18-6		
СНАР	WITH WITH "A-B'	OCABLE TRUSTS AND POUR-OVER WILLS H MARITAL/QTIP TRUST IN COMBINATION H CREDIT SHELTER/BYPASS TRUST: THE TRUST STRUCTURE (COMBINED ESTATES EED LIFETIME EXEMPTION)	19-1		
19.1		g with "A-B" Trust Structure	19-1		
19.2	Federal Tax Requ	irements of QTIP Trust	19-2		
19.2A	Maryland Estate	Tax Planning and QTIP Trusts	19-2.1		
19.3	Summary of Dispositive Provisions of RT-7				
19.4	Graphic Summary of Dispositive Provisions of Credit Shelter/Bypass Trust under RT-7 and Estate Tax Effects				
19.5	When to Use Rev	rocable Trust RT-7	19-5		
19.6	Income, Gift, and	Estate Tax Consequences	19-6		
19.7	Forms		19-6.1		
	*Form RT-7:	Revocable Trust Agreement for Married Settlor—with Marital and Bypass Trusts	19-7		
	*Form PO-5-9:	Pour-Over Will — to Accompany RT-7	19-19		

СНАР	TER 20	MARI	CABLE TRUST AND POUR-OVER WILL FOR RIED COUPLE WITH DISCLAIMER TRUST	
			ON UPON DEATH OF SETTLOR	20-1
20.1	_		g with Disclaimer Trusts	20-1
20.2	Summary	of Disp	ositive Provisions of RT-8	20-2
20.3	•	•	of Dispositive Provisions of Disclaimer	
			and Estate Tax Effects	20-2
20.4	When to	Use Revo	ocable Trust RT-8	20-3
20.5	Income,	Gift, and	Estate Tax Consequences	20-4
20.6	Forms			20-4.1
	*Form R'	Г-8:	Revocable Trust Agreement for Married Settlor— Outright to Spouse with Option for Disclaimer	
			Trust of Settlor	20-5
	*Form Po	O-5–9:	Pour-Over Will—to Accompany RT-5–9	20-15
СНАР	TER 21	WITH	CABLE TRUST FOR MARRIED SETTLORS I GENERATION-SKIPPING TRUSTS	21-1
21.1			g with Generation-Skipping Trusts: Benefits	
			Exemption	21-1
21.2			ture of Revocable Trust Agreement with	
	Generation		ing Trust (RT-9)	21-2
	21.2.1		c Objectives under RT-9	21-2
	21.2.2	The Thr	ree Trusts	21-2.1
		21.2.2.1	Residuary (Credit Shelter) Trust	21-3
		21.2.2.2	Exempt and Nonexempt Marital Trusts	21-3
21.3	The "Rev	erse QT	IP" Election	21-4
21.3A	Ramifica	tions and	Drafting Considerations in Light of EGTRRA,	
			TRA 2012	21-6
21.4	Summary	of Disp	ositive Provisions of RT-9	21-7
21.5			of Dispositive Provisions of Exempt and ration-Skipping Trusts under RT-9 and Estate	
	Tax Effec	ets		21-7
21.6	When to	Use This	Revocable Trust (RT-9)	21-9
21.7	Forms			21-9
	*Form R'	Г-9:	Revocable Trust Agreement for Married	
			Settlor — with Generation-Skipping Trusts	21-10
	*Form Po	O-5–9:	Pour-Over Will — to Accompany RT-5–9	21-26
P	ART VIII		TEGIC ESTATE PLANNING WITH VOCABLE TRUSTS	
СНАР	TER 22		VOCABLE LIFE INSURANCE TRUSTS	
			8)	22-1
22.1			e Trust — a Panacea, Indeed, for Estate	22-1

22.2			ctive Uses of ILITs: Proper <i>Crummey</i> Year Rule	22-3		
	22.2.1	_	Notice and the Annual Gift Exclusion	22-3		
	22.2.1	•	and Strategies for Avoidance	22-4		
22.3			stablishing and Maintaining a Life	22-4		
22.3		-	stablishing and Maintaining a Life	22-5		
	*Form 2		t for Establishing and Maintaining			
				22-5		
22.4	Life Insurance Trust on One Life — for Married Settlor					
	22.4.1	Purposes and Uses of ILIT-1 (Standard ILIT) and ILIT-2 (ILIT with Generation-Skipping Trusts)				
	22.4.2	Graphic Summary	of Dispositive Provisions of ILIT-1	22-7		
	22.4.3	Forms		22-9		
		*Form ILIT-1:	Irrevocable Trust Agreement for Married Settlor — for Benefit of Spouse and Children	22-9		
		*Form ILIT-2:	Irrevocable Trust Agreement for Married Settlor — with Generation- Skipping Trusts to Utilize GST Exemption	22-23		
		*Form 22-2:	Crummey Notice Letter for Single Life Policy — to Accompany ILIT-1			
			and ILIT-2	22-41		
22.5	Life Insurance Trust on One Life — for Unmarried Settlor with Children (e.g., Widowed, Divorced)					
	22.5.1	Purposes and Uses of ILIT-3 (Standard ILIT) and ILIT-4 (ILIT with Generation-Skipping Trusts)				
	22.5.2	Graphic Summary of Dispositive Provisions of ILIT-3				
		and ILIT-4 with E	state Tax Effects	22-42		
	22.5.3	Forms		22-44		
		*Form ILIT-3:	ILIT for Unmarried Settlor — for Benefit of Children	22-44		
		*Form ILIT-4:	ILIT for Unmarried Settlor — with Generation-Skipping Trusts to Utilize GST Exemption	22-58		
		*Form 22-2:	Crummey Notice Letter for Single Life Policy — to Accompany ILIT-3 and ILIT-4	22-41		
22.6			vo Lives (for Second-to-Die Policies) —	22-74		
	22.6.1	Purposes and Prac	etical Uses of Second-to-Die Policies and ents	22-74		
	22.6.2	Graphic Summary of Dispositive Provisions of ILIT-5 (Standard ILIT for Second-to-Die Policy) and ILIT-6				

		(ILIT for Second-to-Die Policy with Generation-Skipping Trusts)			
	22.6.3			22-75 22-76	
	22.0.3				
		*Form ILIT-5:	ILIT for Second-to-Die Policy	22-76	
		*Form ILIT-6:	ILIT for Second-to-Die Policy with Generation-Skipping Trusts	22.01	
		ψE 22.2	11 0	22-91	
		*Form 22-3:	Sample <i>Crummey</i> Notice Letter — to Accompany Second-to-Die ILITs	22-108	
			Accompany Second-to-Die ILITS	22-108	
СНАН	PTER 23	TRUSTS FOR M	AINORS	23-1	
23.1	Practica	l Uses and Overall C	comparisons of Trusts with		
	Custodi	al Transfers and Sect	ion 529 Plans	23-1	
	23.1.1	Custodial Transfer	s	23-1	
	23.1.2	Section 529 Plans		23-2	
23.2	Section	2503(c) Minor's Tru	st	23-2.1	
	23.2.1	` '		23-2.1	
	23.2.2			23-2.2	
	23.2.3		ations: Extending the 2503(c)	23 2.2	
	23.2.3	•	21	23-3	
	23.2.4		2503(c) Minor Trust	23-3	
	23.2.1	*Form 23-1:	Section 2503(c) Minor's Trust for	23 3	
		10m 25-1.	One Beneficiary Qualifying for		
			Annual Gift Tax Exclusion	23-4	
23.3	Crummi	v Minor's Trust		23-14	
20.0	23.3.1	-	Practical Uses	23-14	
	23.3.2	Combining <i>Crummey</i> Minor's Trust with			
	23.3.2	Generation-Skipping Tax Planning			
	23.3.3	Summary of Dispositve Provisions of Forms for			
	23.3.3	Crummey Minor's Trust			
	23.3.4		ey Minor's Trusts	23-15 23-17	
	23.3.4	*Form 23-2:	Crummey Minor's Trust for One Child	23-17	
		TOIII 23-2.	with Withdrawal Power — Distribution		
			of Principal to Child at Ages 25, 30, and		
			35	23-17	
		*Form 23-3:	Crummey Minor's "Pot" Trust for		
			Children of Settlor with Hanging		
			Withdrawal Powers — Final		
			Distribution of Principal When		
			Youngest Child Attains Age 25	23-28	
		*Form 23-4:	Crummey Minor's Trust for One		
			Grandchild with Withdrawal Power		
			Qualifying for Annual Exclusion from		
			Gift Tax and GST Tax — Distribution		
			of Principal to Grandchild at	22.20	
			Ages 25, 30, and 35	23-38	

		*Form 2	23-5:	Crummey "Dynasty" Trust for Descendants of Settlor for	22.40		
		*Form	23-6:	Maximum Perpetuities Period	23-49		
				Crummey Trusts	23-59		
СНАІ	PTER 24	TRUS	TS FOR S	SUBCHAPTER S STOCK	24-1		
24.1	Overvie	w: Types	of Subcha	pter S Trusts	24-1		
24.2	Qualifie	d Subcha	pter S Trus	st ("QSST"): Requirements and Uses	24-1		
24.3		e Electing Small Business Trust ("ESBT"): Requirements					
					24-2		
24.4				ned Annuity Trust ("GRAT")	24-3		
24.5		-			24-4		
	*Form 2		Qualified	l Subchapter S Trust — with	24.4		
	ψ Γ 0	24.2	Generation-Skipping Provisions		24-4		
	*Form 2		-	QSST Election	24-16		
	*Form 2	24-3:	Electing Small Business Trust ("ESBT") for Descendants of Settlor for Maximum				
				ties Period	24-17		
			F				
CHAI	PTER 25	AND '	"INTENT	TEREST TRUSTS: QPRTS, GRATS IONALLY DEFECTIVE" GRANTOR	25-1		
25.1	01:6.	TRUSTS					
25.1	Qualified Personal Residence Trusts.			25-1			
	25.1.1	-		Practical Uses	25-1		
	25.1.2			Computer Projections/Presentation Charts	25-2		
	25.1.3				25-4		
		*Form 2	25-1:	Qualified Personal Residence Trust	25-4		
		*E	25.2.	Agreement	23-4		
		*Form 2	25-2:	QPRT Calculations and Graphic Illustration from Brentmark			
				Software	25-17		
25.2	Grantor		-	rusts (GRATS)	25-19		
	25.2.1	•		Practical Uses	25-19		
	25.2.2	Illustrat	tions and C	Computer Projections/Presentation Charts	25-19		
	25.2.3	Forms.			25-20		
		*Form	25-3:	Grantor Retained Annuity Trust Agreement	25-21		
		*Form	25-4:	GRAT Calculations and Graphic			
		201111		Illustration from Brentmark			
				Software	25-28		
25.3	"Intentio	onally De	fective" G	rantor Trusts	25-29		
	25.3.1			Mainstay of Estate Plans	25-29		
	25 3 2				25_30		

	25.3.3	Achieving "Def	fective" Grantor Trust Status	25-30
	25.3.4	Flexibility to th *Form 25-5:	e Grantor in Avoiding Grantor Trust Status Intentionally Defective Grantor Trust with Dynasty Trust Provisions for	25-31
			Child and Future Descendants	25-31
CHAI	PTER 26		R INDIVIDUALS WITH SPECIAL	
26.1	Overvier		ogics for Esmilies of Children with Special	26-1
20.1		-	egies for Families of Children with Special	26-1
26.2			ary Trust Act	26-1
	26.2.1	-		26-1
	26.2.2			26-2
26.3	The Disc		l Needs Trust — Nonstatutory	26-3
26.4			· · · · · · · · · · · · · · · · · · ·	26-4
	*Form 2	6-1: Transf	er to Trust under Maryland Discretionary	
			Act	26-4
	*Form 2	6-2: Inserti	on in Will to Incorporate Provisions of	
			aryland Discretionary Trust Act	26-5
	*Form 2		l Needs Trust for Disabled Child	
26.5	40 10 0		tatutory)	26-6
26.5		-	eds Trust for Disabled Beneficiary	26-13
	26.5.1			26-13
	26.5.2		nd Benefits	26-14
	20.3.2	*Form 26-4:	Self-Settled Supplemental Needs Trust	20-14
		10m 20-4.	for Disabled Beneficiary under Age 65	
			("(d)(4)(A)Trust")	26-15
I	PART IX	ALTERNATI	VE DRAFTING FORMS	
CHAI	PTER 27	ALTERNATI	VE DRAFTING FORMS	27-1
27.1	Special '	Testamentary Tru	sts	27-1
	27.1.1		y Residence (for Benefit of Surviving	
			, Remainder to Children)	27-1
		*Form 27-1:	Trust for Family Residence (for Benefit	
			of Surviving Spouse for Life, Remainder to Children)	27-1
	27.1.2	Trust for Vacati	on Home (for Benefit of Children)	27-2
	27.1.2	*Form 27-2:	Trust for Vacation Home (for Benefit	21-2
		1 01111 27 2.	of Children)	27-2
	27.1.3	Trusts Primarily	y for Education of Descendants	27-3
		*Form 27-3:	Grandchildren's Educational Trust:	
			General Standards with Preference for	
			Education	27-3

	*Form 27-4:	Incentive and Distribution Provisions for Children to Attend College	27-3		
	*Form 27-5:	Flexible Guidelines for Trustee for Educational Costs	27-4		
	*Form 27-5A:	Guidelines to Trustee Regarding Education and Premium on Gainful Employment	27-4		
27.1.4		ss Trust Giving Surviving Spouse ppointment of Trust Remainder	27-4		
	*Form 27-6:	Credit Shelter/Bypass Trust Giving Surviving Spouse Limited Power of Appointment of Trust Remainder	27-4		
27.1.4A		e Disclaimer Trust (in Conjunction with a ld Disclaimed Assets Where a Power of			
	Appointment Is Util *Form 27-6A:	will Provision Creating Separate Disclaimer Trust (in Conjunction with a Bypass Trust) to Hold Disclaimed Assets Where a Power of Appointment Is Utilized	27-5 27-6		
	*Form 27-6B:	Revocable Trust Provision Creating Separate Disclaimer Trust (in Conjunction with a Bypass Trust) to Hold Disclaimed Assets Where a Power of Appointment Is Utilized	27-6		
27.1.5	Qualified Domestic	Trust	27-6		
27.11.5	*Form 27-7:	Qualified Domestic Trust (QDOT)	27-7		
27.1.6		ons for Spouse in Nursing Home	27-8.1		
27.1.0	*Form 27-8:	QTIP Trust Provisions for Spouse in a Nursing Home	27-8.2		
27.1.7	Appointment upon (g Trust — General Power of Child's Death to Prevent			
	Imposition of GST Tax				
	*Form 27-9:	Generation-Skipping Trust — Providing for General Power of Appointment upon Child's Death to Prevent Imposition of			
		GST Tax	27-10		
27.1.8	Trust for Client's Pa	rents after Client's Death	27-11		
	*Form 27-10:	Trust for Client's Parents after Client's Death (Broad)	27-11		
	*Form 27-11:	Narrow Form (Distribution to Parents Only after Proper Provision for Spouse and Children)	27-12		
27.1.9	Graduated Distribut	ion of Net Income to Child	27-12		
21.1.7	*Form 27-11A:	Graduated Distribution of Net Income to	21-12		
	20111 27 1171.	Child	27-12		

	27.1.10		oplement Spouse's Other Income (from ust Fund)	27-12.1
		*Form 27-11B:	Bypass Trust to Supplement Spouse's Income of Spouse's Family Trust Fund Does Not Provide Adequate Support	
			(Objective Threshold)	27-12.1
	27.1.11	Discretion of Truste	e to Withhold Trust Distributions in	
			cumstances for Beneficiary (e.g., Drug	
		Abuse, Marital Diss	solution Pending)	27-12.2
		*Form 27-11C:	Guidelines to Trustee on Interest	
			Regarding Education and Premium on Gainful Employment	27 12 2
	27.1.12	Reneficiary's Right	s of Withdrawal at Specified Ages Instead	27-12.2
	27.11.12		ibutions of Principal to Beneficiary at	
			······································	27-12.3
		*Form 27-11D:	Descendant's Trust with Rights of	
			Withdrawal at Specific Ages (25, 30	
			and 35), Mandatory Distribution of	
			Income; General Distribution of	
			Principal per "Ascertainable Standard"	27-12 3
27.2	Special I	Provisions for Closely	/ Held Business Interest	
21.2	27.2.1	-	ess Power for Fiduciaries	
	27.2.1	*Form 27-12:	Broad Closely Held Business Power	27 12.1
		10111127 12.	for Fiduciaries	27-12.5
	27.2.2	Right of First Refus	al	27-13
		*Form 27-13:	Right of First Refusal for Disposition	
			of Corporate Stock	27-13
		*Form 27-14:	Right of First Refusal for Disposition	
			of Interest in Limited Liability	
			Company	27-13
	27.2.3		Buy-Sell"	27-15
		*Form 27-15:	Compliance with "Buy-Sell"	27-15
27.3	-	<u>-</u>		27-15
	27.3.1			27-15
		*Form 27-16:	Cremation	27-15
	27.3.2			27-15
		*Form 27-17:	Anatomical Gift: Statutory Form (During Lifetime)	27.16
		*Form 27-18:	Anatomical Gift: Confirmation and	27-16
		TOIM 27-16.	Direction in Will	27-16
27.4	Specific	Bequests		27-16
	27.4.1	•	Tangible Personal Property of	2. 10
	2,		se	27-16
		*Form 27-19:	Specific Bequest of Tangible Personal	
			Property of Life Estate to Spouse	27-17

27.4.2	Specific Bequests to Grandchild under Maryland Uniform Transfers to Minors Act			
	*Form 27-20:	Specific Bequests to Grandchild under Maryland Uniform Transfers to Minors		
27.42	gia a i i a	Act		
27.4.3		oouse in Trust Until Death or		
	*Form 27-21:	Gift to Surviving Spouse in Trust until Death or Remarriage. 27-18		
27.4.4	• •	Tangible Personal Property:		
		27-18		
	*Form 27-21A:	Specific Bequest of Tangible Personal Property: Division by Lot		
27.4.5	Cash Gifts to Indivi	dual Beneficiaries		
	*Form 27-21B:	Cash Gifts to Individual Beneficiaries — Contingent Upon Survival		
	*Form 27-21C:	Cash Gifts to Individual Beneficiaries with Gift Over if Named Beneficiary		
		Fails to Survive		
27.4.6	Cash Gifts to Chari	ties		
	*Form 27-21D:	Cash Gifts to Charity with Suggested Allocation of Gift		
	*Form 27-21E:	Cash Gift to Charity — Limited by a Percentage of Estate		
27.4.7	Specific Bequest of	Stock		
	*Form 27-21F:	Specific Bequest of Stock —		
	101111 27 211 .	No Contingent Beneficiaries 27-18.2		
	*Form 27-21G:	Specific Bequest of Stock — Contingent Beneficiaries		
27.4.8	Outright Bequest of	Residuary Estate to More Than One		
271.110		nares		
	*Form 27-21H:	Outright Bequest of Residuary Estate to More Than One Legatee in Equal		
		Shares		
27.4.9	Transferring Proper	ty Subject to Mortgage		
	*Form 27-21I:	Direction to Personal Representative		
		to Pay Mortgage from Estate 27-18.3		
	*Form 27-21J:	Authorization to Pay Off Mortgage 27-18.3		
Special l	Provisions Where Est	ate Consists of Stock in Subchapter		
S Corpo	ration			
27.5.1	Subchapter S Provis	sions		
	*Form 27-22:	Subchapter S Provisions		
Miscella	neous Provisions	27-19		
27.6.1	Specific Exercise of	f Testamentary Power of Appointment 27-19		

27.5

27.6

	*Form 27-23:	Specific Exercise of Testamentary Power of Appointment	27-20
27.6.2	Forgiveness of Del	ot at Death	27-20
	*Form 27-24:	Forgiveness of Debt at Death (Unrecorded Debt)	27-20
	*Form 27-25:	Forgiveness of Debt at Death (Recorded Mortgage)	27-20
27.6.3	Catch-All/Ultimate	e Beneficiary — to Various Charities	27-21
	*Form 27-26:	Catch-All/Ultimate Beneficiary — to Various Charities	27-21
27.6.4	Marital Deduction	Equalization Clause	27-21
	*Form 27-27:	Marital Deduction Equalization Clause	27-21
27.6.5	Omittal of Spouse	— Second Marriage	27-22
	*Form 27-28:	Omittal — Spouse from Second Marriage	27-22
27.6.6	Omittal Due to Rel	ligious Affiliation or Joining of Cult	27-22
27.0.0	*Form 27-29:	Omittal — Due to Religious	
	101111 27 291	Affiliation	27-22
	*Form 27-30:	Omittal — Due to Joining of Cult	27-23
27.6.7	Request for Use of	Specific Investment Advisor	27-23
	*Form 27-31:	Request for Use of Specific Investment Advisor	27-23
27.6.8		Specific Attorney to Handle/Advise	27-23
	*Form 27-32:	Request for Use of Specific Attorney to Handle/Advise Estate Administration	27-24
27.6.9	In Terrorem Provis	ion	27-24
	*Form 27-33:	In Terrorem Provision	27-24
	*Form 27-33A:	Omittal with Broad in Terrorem Provisions	27-24
27.6.10	Provision Specifica	ally Naming Children in Will	27-24.1
	*Form 27-34:	Provision Specifically Naming Children in Will	
	*Form 27-34A:	Provision Specifically Referencing Children of a Prior Marriage; No Children from Current Marriage	27-24.2
	*Form 27-34B:	Provision Specifically Referencing Children of Current Marriage and Prior Marriage	27-24.2
27.6.11	Alternative Tax Cla	ause — Apportionment for Nonprobate	
			27-25
	*Form 27-35:	Alternative Tax Clause — Apportionment for Nonprobate Property	27-25

	27.6.12	Alternative Tax Clause — Exclusion of Certain Taxes		
		*Form 27-36:	Alternative Tax Clause — Exclusion of Certain Taxes	
	27.6.13	Alternative Tax Cl	auses — Full Apportionment and "Split"	
			27-26	
		*Form 27-36A:	Alternative Tax Clause —	
			Apportionment for all Property under Maryland Apportionment Statute	
			(Unmarried Testator) 27-26	
		*Form 27-36B:	Alternative Tax Clause — for Probate	
			Property, Property under Revocable Trust and Other Property	
			(Unmarried Testator)	
27.7	Provision	ns Dealing with Trus	stees	
	27.7.1	Compensation of T	Trustee	
		*Form 27-37:	Trustees to Serve Without	
			Compensation	
		*Form 27-38:	Trustees to Receive Reasonable	
			Compensation; Published Fee Schedule	
			for Corporate Trustee	
		*Form 27-39:	Fee Based upon Statutory	
			Commissions	
		*Form 27-40:	Fee Schedule for Corporate Trustee;	
			Aggregation of Trusts to Determine	
			Fee	
		*Form 27-40A:	Fee Schedule for Corporate Trustee— Long Form	
	27.7.2	Final Succession of	of Trustees	
	,,,,	*Form 27-41:	Corporate Trustee as Final	
		101111 27 11.	Successor	
		*Form 27-42:	Named Trustees Designate	
			Successor	
		*Form 27-42A:	Provision for Successive Trustees/	
			Remaining Trustee to Designate	
			Successor/Corporate Trustee as	
			Ultimate (Comprehensive Clause) 27-28.1	
	27.7.3	Resignation and A	ppointment of Trustees	
		*Form 27-43:	Resignation of Trustee 27-28.2	
		*Form 27-44:	Designation of Co-Trustee by Settlor	
		*E 27 45	under Revocable Trust Agreement 27-29	
		*Form 27-45:	Designation of Co-Trustee by Remaining Trustee under Irrevocable	
			Trust Agreement following Resignation	
			of Trustee 27-30	

	*Form	27-46:	Acceptance by Newly-Appointed Trustee under Revocable Trust Agreement	27-31
	*Form	27-47:	Acceptance by Newly-Appointed Trustee under Irrevocable Trust	27.22
	*Form	27-47A:	Agreement	27-32
			Agreement	27-32
			itus	
	1 01111	27-47B:	Changes in Trust Situs	
27.8			nts to Revocable Trust Agreements	
	*Form 27-48:		ent to Revocable Trust Agreement	27-33
	*Form 27-49:		ent and Restatement of Revocable eement	27-35
27.9	Electing Out of C	Common Lav	w Rule Against Perpetuities	27-37
	*Form 27-50:		Out of Rule Against Perpetuities —	
			ision	27-37
	*Form 27-51:	_	Out of Rule Against Perpetuities —	
		_	eement Provision	27-37
27.10	-		urvivorship Life Insurance Trust	27-37
	*Form 27-52:		Authorizing Trustees to Sell Policy to Children	27-38
	*Form 27-53:		l Provision Regarding Use of Proceeds	27-38
27.11	Additional Provi		sonal Representatives after EGTRRA	27-38
	*Form 27-54:		mit Size of Non-marital Share	27-39
27.12		-	to Limit Size of Non-marital Share	27-39
	*Form 27-55:	Authoriza	tion to Personal Representative to Basis to Specific Assets — with	
		Exoneration	on Provision	27-39
27.13	Additional Reque	est and Guid	ance to Guardians of Minor Children	27-40
	*Form 27-56:		That Guardians Allow Visitation by ents	27-40
	*Form 27-57:	Request T	hat Children Be Raised in Orthodox adition — Rabbi to Be Consulted	27-40
	*Form 27-58:	Request to	Preserve Relationship Between	27-41
27.14		sion and For	mula Clauses in Light of Maryland's	27-41
27.15	"Decoupled" Estate Tax Special Provisions When Retirement Benefits Are Payabl			∠ / - + 1
ل.1.1 <i>ت</i>	-			27-41
	*Form 27-59A		Inclusion in Marital Trust Where	
			esignated as Beneficiary of at Plan	27-42
		Keuremer	IL FIAII	41-42

	*Form 27-59B	Form for Inclusion in Fiduciary Power Section Dealing with Retirement Benefits Payable to Trusts	27-42
27.16		eneficiary Designation Form to Accommodate nning with Trusts	27-43
	Form 27-60A:	Attachment to IRA Beneficiary Designation Form: Disclaimed Assets to Disclaimer Trust under Will of Participant, with Provisions for Children's/Descendant's Share to Trust Created under Will of Participant	27-44
	Form 27-60B:	Attachment to IRA Beneficiary Designation Form: Disclaimed Assets to Trustees under Will of Participant, with Provisions for Children's/Descendant's Share	27.45
	Form 27-60C:	to Trust Created under Will of Participant	27-45 27-47
27.17	Portability Election	on	27-49
	Form 27-61A:	Direction to Elect Portability — for Will	27-50
	Form 27-61B:	Direction to Elect Portability — for	
		Revocable Trust	27-50
	Form 27-62A:	Authorization to Elect Portability — for Will	27-50
	Form 27-62B:	Authorization to Elect Portability — for Revocable Trust	27-50.1
	Form 27-63:	Expanded Will Authorization for Funeral Expenses	27-51
27.18	Conduit Trust for	Descendant as Beneficiary of Retirement Plan	27-51
	*Form 27-64:	Conduit Trust for Benefit of Descendant – for Testamentary Trust Named as Beneficiary	
		of Retirement Plan	27-52
27.19	-	cise Settlor's Powers over a Revocable Trust	27-52
	*Form 27-65:	Authority to Exercise Settlor's Powers Over a Revocable Trust by Agent and Guardian – with Options	27-53
27.20	Trustee Powers to	Decant, Distribute, Merge And Terminate Trusts	27-54
	*Form 27-66:	Decanting Provision: Authority to Distribute and Terminate	27-54
	*Form 27-67:	Alternative Decanting Provision in Trust	27-54
	*Form 27-68:	Authority to Merge Trusts	27-55
	*Form 27-69:	Simple Authority to Merge and Consolidate	21-33
	1 01111 27-09.	(One Trustee in Common)	27-55

	*Form 2	7-70:	Administr	to Consolidate for Investment and ration (Without Formal Merger into I Trust)	27-55
	*Form 2	7-71:		uthority to Terminate	27-55
	*Form 2	7-72:		to Terminate with Specific Dispositive s Upon Termination	27-56
27.21	Addition	al Power	s and Provis	sions for Corporate Trustee	27-56
	*Form 2	7-73:		estment Powers for Corporate Trustee Authority to Invest in Affiliates	27-56
	*Form 2	7-74:	Removal I	Power over Corporate Trustee	27-57
	*Form 2	7-75:	and Disint	Differences Between Family Trustee terested Trustee; Family Trustee	
	*Form 2	7-76:	Resolving Trustee an Trustee De	Governs if No Majority Decision	27-58 27-58
27.22		•	sitive Provis	sion Authorizing Supplemental Minor Child for Increased Expenses	27 30
	of Additi	ional Chi	ldren		27-58
	*Form 2	7-77:	to Guardia	ng Supplemental Distribution by Trustee an of Minor Child for Increased	27-59
27.23	Addition	al Provis	•	vocable Trusts	27-59
21.23	27.23.1	Protect	ing Confider	ntiality — Buttressing and Encouraging acations and Affidavits	27-59
		*Form	27-78:	Reliance by Third Parties on Affidavit or Certification of Trust– for Revocable	
	25.22.2	4.1.		Trust Agreement	27-59
	27.23.2	*Form		le A to Revocable Trust Agreement	27-60
		*FOIIII	21-19:	Alternative Schedule A to Revocable Trust Agreement	27-60
P	ART X			F SELECT ESTATE PLANNING EAS AND STRATEGIES	
		FNAC	TICE AKE	EAS AND STRATEGIES	
CHAP	TER 28			E PLANNING SUMMARIES AND FEDERAL LAW	28-1
28.1	The Mar	yland La	w of Intesta	cy and Necessity of Wills	28-1
	28.1.1				28-1
	28.1.2	-		acy Law — Share of Surviving Spouse and	28-1
	28.1.3	Necess	ity of Will a	nd Danger of Dying Intestate	28-2
	28.1.4			Even with Other Forms of Testamentary	28-5

		Form 28-A:	•	of Wills Summary of Interstate tion in Maryland	28-6		
28.2				nents and Strategic Practice	20.7		
	28.2.1			ntroductory Paragraph)			
	28.2.2			of Fiduciary (Section 1)			
	28.2.3		-	n 2)			
	28.2.4				28-10		
	28.2.5			of Tangible Personal Property ce (Section 5)	28-10		
	28.2.6	Payment of T	Taxes (Section 6)		28-11		
	28.2.7	Residuary Es	state (Section 8).		28-12		
	28.2.8	-		than Specific Bequests)	28-12		
	28.2.9			ll" Provision (Section 10)			
	28.2.10						
	20.2.10	and Personal Representatives (Section 11 for Trustees and					
		Section 13 fo	or Personal Repre	sentatives)	28-13		
	28.2.11	Insurance or	Pension Plan (Se	ction 12)	28-14		
	28.2.12	Spendthrift a	and Facility of Pay	yment Provisions (Section 14)	28-14		
	28.2.13	Survivorship	/Simultaneous De	eath (Section 15)	28-15		
	28.2.14	Rule Against Perpetuities (Section 16)					
	28.2.15	Gender (Sec	tion 17)		28-16		
	28.2.16	Headings (Section 18)					
	28.2.17	Signature an	d Attestation Cla	ises (Final Paragraphs)	28-16		
28.3	The Tran	nsfer Tax Syste	em under EGTRR	A, TRA 2010,			
	ATRA 2	012 and TCJA			28-16		
	28.3.1	The Basics a	and the State of A	ffairs Before EGTRRA	28-16.1		
	28.3.2	EGTRRA: Highlights and Summary (Before TRA 2010,					
		ATRA 2012	and TCJA)		28-16.3		
	28.3.3	-		and GST Tax Changes under			
				ATRA 2012 and TCJA)	28-16.5		
	28.3.4			d 2012): Highlights and			
		-					
		28.3.4.1		d Surprise			
		28.3.4.2					
		28.3.4.3	-	oping Transfer (GST) Tax			
		28.3.4.4	Gift Tax		28-16.8		
		28.3.4.5	•				
		28.3.4.6	Election for 201	0			
			28.3.4.6.1	In General	28-16.9		
			28.3.4.6.2	Making the Decision	28-16.9		

1

		28.3.4.6.3	Forms and Filing Deadlines 28-16.10				
	28.3.4.7	Chart Cummar	izing Changes in				
	20.3.4.7		28-16.10				
28.3.5	ATRA 2012		Summary				
20.0.0	28.3.5.1		Day 2013 Surprise 28-16.11				
	28.3.5.2		ate, Gift and Generation-				
			Skipping Tax (GST) Exemptions of				
		\$5,000,000 (W	7ith Indexing) 28-16.11				
		28.3.5.1.1	2012 Exemptions: Unified and Permanent 28-16.11				
		28.3.5.2.2	Comment on Significance				
			and Effects				
		28.3.5.2.2	.1 No Sunset of \$1 Million				
			and Predictability 28-16.12				
		28.3.5.2.2					
			"Clawback" 28-16.13				
	28.3.5.3		x Rates				
	28.3.5.4	-	Made Permanent 28-16.13				
		28.3.5.4.1	1				
			Utilizing Spouse's Unused Exemption				
			Amount				
		28.3.5.4.2					
		28.3.5.4.3	6 ,				
			Spouse Portability				
			Election				
		28.3.5.4.4	Effective Dates 28-16.15				
		28.3.5.4.5	The <u>Last</u> Deceased				
			Spouse Requirement 28-16.15				
	28.3.5.5		izing Federal Estate,				
			Changes under				
		ATRA 2012 (f	or 2013 and ars)				
28.3.6	The New F		ning After ATRA 2012 28-16.17				
20.3.0	28.3.6.1		A 2012 on Forms and				
	20.3.0.1		tes Due to Increased				
			leral Estate Tax Exemption 28-16.17				
	28.3.6.2	Portability vs.	Bypass/Credit Shelter Trusts:				
		Factors to Con	sider in Planning 28-16.20				
	28.3.6.3		orms and Strategies for				
			ocable Trusts to Integrate				
		Issues with Fo	rmula Clauses and 28-16 25				
		romaniiiv					

			28.3.6.3.1	Portability as a Game	
				Changer But Still Need	
				Credit Shelter Trusts 28-16.2	25
			28.3.6.3.2	Portability in Tandem with Credit Shelter Trusts 28-16.2	25
			28.3.6.3.3	Drafting Alternatives after	
				ATRA 2012 28-16.2	6
	28.3.7			of Maryland's "Decoupled"28-1	9
	28.3.8			f 2017 ("TCJA"):	
				anent" Estate Planning 28-2	20
		28.3.8.1	Estate Tax Cha	unges Wrought by TCJA 28-2	20
			28.3.8.1.1	Increase in Exemptions 28-2	20
			28.3.8.1.2	Tax Rate	
			28.3.8.1.3	Portability	
			28.3.8.1.4	Basis Step-Up Retained Despite	
			20.2.0.1.5	Large Increased Exemptions 28-2	, 1
			28.3.8.1.5	Sunset of "Doubled" Exemption	21
			28.3.8.1.6	Charts Depicting Changes in TCJA 28-2	:1
		28.3.8.2	Gifting Strateg	y During TCJA High Exemption	
					. 1
			28.3.8.2.1	Strategy Due to Temporary Nature of TCJA 28-22.	. 1
			28.3.8.2.2	"Clawback" Concern and IRS Favorable	
				Announcement 28-22.	2
			28.3.8.2.3	Impact of Lifetime Gifts on	
			20.5.0.2.5	Maryland Estate Tax 28-22.	.2
28.4	Generat	ion-Skipping	Transfer Tax — v	with ATRA 2012 Modifications 28-22.	
-01.	28.4.1				
	28.4.2	-			
	28.4.3			x	
	28.4.4		-	Tax	
	28.4.5		-		
	28.4.6			Requirements	
10 5					
28.5				1	,3
28.6				ss Trusts — Some Technical 28-2	16
28.7				28-2	
20.7	28.7.1				
	28.7.1			and's Statutory Share: <i>Knell</i> and	. 1
	40.1.4	Schoukrour		and s Statutory Snare: Knett and 28-2	, S

28.8	QDOTs and the Noncitizen Spouse						
	28.8.1	Citizenship	of Donee and the I	Marital Deduction	28-28.1		
	28.8.2	Gift Tax Iss	ues		28-29		
		28.8.2.1	Joint Tenancies		28-29		
		28.8.2.2	Joint and Survive	or Annuities	28-30.1		
	28.8.3	Estate Tax I	ssues		28-30.1		
	28.8.4	The Qualifie	The Qualified Domestic Trust (QDOT)				
		28.8.4.1	Introduction		28-30.2		
		28.8.4.2	Distinguishing F	eatures of a QDOT	28-30.3		
		28.8.4.3	Requirements fo	r QDOTs under the Treasury			
			Regulations		28-30.4		
			28.8.4.3.1	Ordinary Trust	28-30.4		
			28.8.4.3.2	Governing Law	28-30.4		
			28.8.4.3.3	U.S. Trustee	28-30.4		
			28.8.4.3.4	Right to Withhold Tax	28-30.5		
			28.8.4.3.5	Qualified Marital Interest			
				Requirements	28-30.5		
			28.8.4.3.5.1	Property Passing to	• • • • •		
				QDOT	28-30.5		
			28.8.4.3.5.2	1 7 0	20 20 4		
			28.8.4.3.6	to Spouse	20-30		
			28.8.4.3.0	Security and Other Arrangements for Payment			
				of Tax — QDOTs with			
				Assets Over \$2 Million	28-30.5		
			28.8.4.3.6.1	Bank Trustee	28-30.6		
			28.8.4.3.6.2	Bond	28-30.6		
			28.8.4.3.6.3	Letter of Credit	28-30.6		
			28.8.4.3.6.4	\mathcal{E}			
				Instrument Requirements			
				for Bond or Letter of	20.20.5		
			20.0.4.2.7	Credit Arrangements	28-30.7		
			28.8.4.3.7	Security and Other Arrangements for Payment			
				of Tax — QDOTs with			
				Assets of \$2 Million or			
				Less	28-30.7		
			28.8.4.3.7.1	Multiple QDOTs	28-30.8		
			28.8.4.3.7.2	Look-Through Rules	28-30.8		
			28.8.4.3.7.3	Fluctuations in Value	28-30.8		
			28.8.4.3.7.4	Principal Residence and			
				Related Personal	20.20		
	20.0.5	TT 6.1 7	. m : 6 ~	Effects			
	7x x 5	Lise of the H	Synace Truct for Su	rviving Non-Citizen Spouse	7X_3() (

28.9	Assets Passing Outside the Will (Nonprobate Assets) by Operation of Law						
	-						
	28.9.1	-	vned Property				
		28.9.1.1	Tenancy-in-Common				
		28.9.1.2	Joint Tenancy with Right of Survivorship 2				
			28.9.1.2.1 Federal Estate Tax	28-31			
			28.9.1.2.2 Maryland Inheritance Tax	28-31			
		28.9.1.3	Tenancy by the Entirety	28-31 28-32			
	28.9.2	Bank Accounts in Maryland					
	28.9.3		Community Property				
	28.9.4		Life Insurance				
	28.9.5		Retirement Plan Assets	28-33			
28.10			ties in Maryland — Execution, Revocation, and				
			cal Requirements and Practical Considerations	28-33			
	28.10.1	-	ents of Will Execution	28-33			
		*Form 28-	*Form 28-1: Instruction Sheet for Client Where				
			Attorney Does Not Supervise	20.25			
	20.10.2	****	Execution of Will	28-35 28-35			
	28.10.2 28.10.3	Who May Execute a Will and Codicil					
			ary Capacity	28-35			
		28.10.3.1	The Maryland Standard	28-35			
		28.10.3.2	Special Circumstances Affecting Testamentary	20.26			
			Capacity	28-36			
			28.10.3.2.1 Insane Delusion, Undue Influence, Fraud	28-36			
	28.10.4	,					
	20.10.4	28.10.4.1	Proper Will Revocation — Statement of	28-38			
		20.10.4.1	Revocation or Obliteration	28-38			
		28.10.4.2	Proper Will Amendment — the Codicil	28-38			
		201101112	*Form 28-2: Sample Codicil				
	28.10.5	Other Important Considerations for Wills under Maryland					
	20.10.3	Law					
		28.10.5.1	Holographic Wills	28-39			
		28.10.5.2	Wills Executed Outside of Maryland	28-40			
		28.10.5.3	Dating and Initialing the Will	28-40			
28.11	Estate Ta		n For Qualified Family-Owned	20 .0			
20.11				28-40			
	*Form 2		Schedule T to Form 706—Qualified Family-				
	-		wned Business Interest Deduction				
	*Form 2	8-4: II	RS Instructions for Schedule T for Form				
		7	06 for Qualified Family-Owned Interest				
		Б	Deduction	28-49			

28.12	The Fadi				28-54	
	*Form D			c Partnership	28-57	
28.13	Maryland's "Decoupled" Estate Tax, "State-Only QTIP,"					
	"Recoupling" Legislation and Second Decoupling					
	28.13.1		-	act	28-60	
	28.13.2	Why Did Ma	ryland "Decoupl	e?"	28-61	
	28.13.3	The 2004 De	coupling Legisla	tion	28-61	
		28.13.3.1	The Maryland T	rigger/Exemption	28-61	
		28.13.3.2	The General Eff	ect of Decoupling	28-62	
		28.13.3.3	Overall Consequ	uences of Decoupling	28-62	
		28.13.3.4		Effect of Maryland Decoupling Bypass Trust	28-63	
	28.13.4	Maryland's 2		Legislation	28-64	
		28.13.4.1		Amounts	28-64	
		28.13.4.2	Portability of M	aryland Exemption	28-65	
		20 12 4 2		ioshility of State Only	26-03	
		28.13.4.3		icability of State-Only	28-66	
		28.13.4.4	-	Tot Elimination of Tax	28-66	
		28.13.4.5	Effect on Non-C			
				•	28-66.1	
		28.13.4.6	No change in M	aryland Inheritance		
			Tax		28-66.1	
		28.13.4.7	Effects of Lifeti	me Gifts	28-66.1	
	28.13.5			Advent of the "Maryland	28-66 1	
	QTIP"					
	28.13.5A					
	20.13.0	28.13.6.1		ect		
		28.13.6.2			28-00.3	
		28.13.6.3		pling Legislation on Bypass ed Couples	28-66.4	
			28.13.6.3.1	Summary of "Bypass Trust" Technique	28-66.4	
			28.13.6.3.2	Impact on "Inflexible" Bypass Trusts after Decoupling		
			28.13.6.3.3	The Maryland QTIP Solution		
	28.13.7	The Estate Pl	lanner's Opportui	nity and Challenge in		
				Utilizing the Maryland QTIP	28-66.6	
		28.13.7.1		ves and Strategies		
		28.13.7.2	-	ed Structure		
				Purpose and Use	28-66.7	

		28.13.7.2.2	Risks	28-66.7
		28.13.7.2.3	The Power of Appointment	
			Trap	28-66.8
		28.13.7.2.4	Power of Attorney — Disclaime	er
			Authorization Language	28-66.8
		28.13.7.2.5	Jointly Held Assets	28-66.8
		28.13.7.2.6	Sample Forms	28-66.9
		28.13.7.2.7	Description and Features of Forms	28-66.9
	28.13.7.3	Divisible OTIP-	Based Structure	28-67
		28.13.7.3.1	Purpose and Use	28-67
		28.13.7.3.2	Comparison with Disclaimer	
			Trust Strategy	28-67
		28.13.7.3.2		28-67
		28.13.7.3.2	.2 Time Allotted for	
			Decision	28-67
		28.13.7.3.3	Sample Forms	28-68
		28.13.7.3.4	Description and Features of	
			Forms	28-68
	28.13.7.4	The Clayton QT	TIP Structure	28-68
		28.13.7.4.1	Purpose and Use	28-68
		28.13.7.4.2	Advantages over Single QTIP	
			and Disclaimer Options	28-69
		28.13.7.4.3	Independent Personal	
			Representative for QTIP	
			Election	28-69
		28.13.7.4.4	Form and Description	28-69
	28.13.7.5	Formula-Based	Structures	28-69
		28.13.7.5.1	Forms	28-69
		28.13.7.5.2	Purpose and Use/	
			Description of Forms	28-70
		28.13.7.5.3	The Flexible Formula	
			Approach/2+ Shares	
			(Forms 28-12A and 28-12B)	28-70
		28.13.7.5.4	The Fixed 3 Share/Bucket	20-70
		28.13.7.3.4	Approach (Form 28-13)	28-71
		28.13.7.5.5	Chart Depicting Funding	20 71
		20.13.7.3.3	and Allocation of 3	
			Shares	28-72
		28.13.7.5.6	Coordination with	
			Generation-Skipping	
			Planning	28-72
28.13.8	Lifetime Git	fts to Counteract t	he Maryland Estate Tax	28-73

28.13.9	Importance o	f Domicile	28-75
28.13.10		Decoupling" of the Maryland Estate Tax	
	for 2019 and	On	28-76
	28.13.10.1	The New Fixed \$5 Million Exemption	28-76
	28.13.10.2	No Inflationary Adjustment	28-76
	28.13.10.3	Portability Allowed	28-76.1
	28.13.10.4	Tax Rate Still Capped at 16%	28-76.1
	28.13.10.5	Planning under Second Decoupled	
		Legislation	28-76.1
28.13.11	Listing of Fo	rms for Section 28.13	
	Form 28-5:	MET 1, Maryland Estate Tax Return	
		with Instructions (for Decedent's Dying	
		after December 31, 2018 and before	
		January 1, 2020)	28-78
	Form 28-6A:	Residuary Estate All to Spouse with	
		Disclaimer-Activated Divisible Marital	
		Trust	28-88.2
	Form 28-6B:	5 1 1	
		to Spouse with Disclaimer-Activated	
		Divisible Marital Trust (for Revocable	20.01
		Trust)	28-91
	Form 28-7:	Residuary Estate All to Spouse with	
		Disclaimer-Activated Spray/	20.05
	E 20.0	Non-Leaking Family Trust	28-95
	Form 28-8:	Power to Divide Trusts for QTIP, GST and Subchapter S Purposes	28-96
	E 28 0 4 .		26-90
	Form 28-9A:	Residuary Estate to Divisible QTIP Trust	28-96
	Form 28-9B:		20-90
	F01111 26-9 B .	Residuary Corpus upon Settlor's Death to Divisible QTIP Trust	
		(for Revocable Trust)	28-96.3
	Form 28-10:	Residuary Estate to Divisible QTIP	20 / 0.0
	101111 20 10.	Trust with Option for Disclaimer-	
		Activated Spray/Non-Leaking	
		Family Trust	28-96.7
	Form 28-11:	Clayton QTIP: Residuary Estate to	
		Divisible QTIP Trust with Non-Elected	
		QTIP to Spray/Non-Leaking	
		Family Trust	28-98
	Form 28-12A	•	
		Share (Full Use of Lower of Federal and	
		Maryland Exemption) to Spray/	
		Non-Leaking Family Trust, Balance (Marital Share) to Divisible QTIP Trust	
		with Options for State-Only QTIP	

	(for Will)
Form 28-121	B: Flexible Formula Structure: Family
	Share (Full Use of Lower of Federal
	and Maryland Exemption) to Spray/
	Non-Leaking Family Trust; Balance
	(Marital Share) to Divisible QTIP
	Trust with Option for State-Only QTIP (for Revocable Trust) 28-106
Form 28-13:	
10m 20-13.	Share #1 (Full Use of Lower Federal
	and Maryland Exemption) to Spray/
	Non-Leaking Family Trust, Share #2
	(Excess of Remaining Federal
	Exemption over Remaining State
	Exemption) to QTIP/Marital Trust
	(State-Only QTIP) Share #3 Outright to Spouse
Form 28-14:	
F0HH 26-14.	Chart Depicting Funding and Allocation of Federal and Maryland
	Estate Tax Exemptions to 3 Trust
	Shares
Form 28-15:	Chart Depicting Funding and
	Allocation of Federal and Maryland
	Estate Tax Exemptions, and GST
	Exemption to 3 Trust Shares 28-111
Form 28-16:	1
	Exempt and Non-Exempt Shares upon
	Death of Surviving Spouse
Form 28-17:	GST Provisions: Allocation and Administration of Trusts
F 20 10.	
Form 28-18:	Sample Provisions for Division of GST Exempt and Non-Exempt Shares upon
	Death of Surviving Spouse; Exempt
	Share Capped at One-Half of Corpus
	Available for Distribution; other
	Features Include "5 & 5" Power and
	Testamentary Limited Power of
	Appointment for Child (Adaptable
	with Form 28-12A and Most Will
Estate Planning Issues	Forms in Chapter 28.12.)
_	for Same-Sex Couples in Maryland
	1
28.14.1.1	Maryland Law Legalizes Same-Sex Marriages
28.14.1.2	The Windsor Decision. 28-118

28.14

		28.14.1.3	_	2013-17 Clarifies Application	28-119		
	28.14.2	Estate Planning Implications of Same-Sex Marriages in					
	20.14.2				28-120		
		28.14.2.1		Planning Implications			
		20.12.1	28.14.2.1.1	Maryland Inheritance Tax			
			28.14.2.1.2	Elective Share	28-120		
			28.14.2.1.3	Intestate Distribution and	20-120		
			20.14.2.1.3	Preferences as Personal			
				Representative	28-120		
			28.14.2.1.4	Marital Deduction			
				Opportunities	28-121		
			28.14.2.1.5	Use of Tenancy by the			
				Entireties Plan with			
				Disclaimer Planning	28-121		
			28.14.2.1.6	Fiduciary and Trust			
				Construction Issues			
		28.14.2.2		lanning Implications	28-123		
			28.14.2.2.1	Unlimited Marital Deduction			
				for Gift and Estate Tax	28-123		
			28.14.2.2.2	Gift Splitting	28-123		
			28.14.2.2.3	Portability	28-123		
			28.14.2.2.4	Rollover Rights on Spouse's IRA	28-124		
	28.14.3	References T	Throughout Book		28-124		
28.15	Impact of the Maryland Trust Act						
	28.15.1	Background, Purpose and Effect					
	28.15.2	Default Provisions and Mandatory Provisions					
	28.15.3				28-125		
	28.15.4	Selected Pro	visions		28-126		
	28.15.5	Provisions R	Provisions Regarding Revocable Trusts				
		28.15.5.1	Capacity for Re	vocable Trust	28-127		
		28.15.5.2	Presumption of	Revocability	28-127		
		28.15.5.3	Powers of Settle	or Exercisable by			
			Agent and Guar	dian	28-127		
			28.15.5.3.1	Power of Settlor Exercisable			
				by Agent	28-127		
			28.15.5.3.2	Power of Settlor Exercisable			
				by Guardian			
		28.15.5.4		to Settlor and Others	28-128		
28.16		•	exibility in the Fac		•0.4		
	28.16.1	Future of Tr	anster Tax Unkno	own	28-128		

28.16.2	Emphasis or	n Flexibility	·			28-128
28.16.3	QTIPs and C	Clayton QTI	Ps			28-129
28.16.4	The Good O	ld Disclaim	er			28-129
28.16.5	Basis Adjust	ment Plann	ing			28-130
	28.26.5.1	Flexibility	ependent Tru for Estate Ta	ax Inclusio	on	
						28-130
		28.26.5.1.	Broad	Power to	ndent Trustee Distribute Trust	
			-	-	ht	28-130
		28.26.5.1.		•	ndent Trustee	
				-	the Authority	
				int a Testa al Power (-	
						28-130
				128-19:	Power of	20 130
			1 0111	120-17.	Disinterested	
					Trustee to	
					Confer a	
					Beneficiary wit	h
					Testamentary	
					General	
					Power of	20.121
					Appointment.	28-131
			*Form	28-20:	Power of	
					Disinterested	
					Trustee May to Confer	
					Testamentary	
					Power of	
					Appointment	
					to Creditors of	
					Beneficiary's	
					Estate; Trustee	
					may Require	
					Consent of	
					Trustee to Exercise	28 131
	20.16.5.2	C14:44:	D 4-	A -1-: D		26-131
	28.16.5.2	Basis Step				28-132
28.16.6	Power to Del to Future Ev	-		-	sponding	28-132
28.16.7	Decanting ar	nd Moving	Assets to Diff	erent Trus	sts	28-133
28.16.8	Powers to Ch	nange Trust	Situs and Go	verning L	aw	28-133
28.16.9	Flexibility to	Distribute	Income to Ch	narity		28-133
	*Form 28-21		uthority of Tr		istribute	28-134
		111		,		

CHAP	TER 29	SELECTED PLANNING STRATEGIES AND TECHNIQUES			
29.1	Use of ".	5 & 5" Powers in Trusts			
29.2		Estate Planning with Limited Powers of Appointment			
29.3		or Children — Pot Trusts vs. Separate Trusts			
29.4		all of Joint Ownership by Spouses and Solutions			
29.5		n of Personal Representatives, Trustees, and Guardians:			
		es and Recommendations			
	29.5.1	Personal Representatives (Executors)			
	29.5.2	Trustees			
		29.5.2.1 Sucession, Removal, and Replacement of Trustees — Tax Aspects			
	29.5.3	Guardians			
29.6	Use of D	Disclaimers in Planning Beneficiary Designations			
29.7	•	ues to Reduce Taxes in Connection with Specific			
	-	s or Cash Legacies			
	29.7.1	Where Beneficiary Other than Spouse Is Intended			
		Recipient — Planning for Reduction of Federal Estate Taxes and Maryland Inheritance Tax			
	29.7.2	Where Charity Is Intended Recipient			
29.8		ng Wealth with a Dynasty (GST) Trust			
29.8		Marital Bequest vs. Trust for Spouse: Planning			
29.9	Consider	rations			
29.10		Planning for Surviving Spouse after Death of First			
	-				
	29.10.1	Planning for Remarriage: QTIP Trust/Prenuptial Agreements			
	29.10.2	Use of the Residence			
	29.10.3	The QTIP Trust — Tax Traps upon the Surviving Spouse's Death			
	29.10.4	Credit Shelter/Bypass Trusts: Strategic Use During Lifetime of Surviving Spouse			
29.11	The Cree	dit Shelter/Bypass Trust: Rights and Protections Available to			
		g Spouse and Asset Protection Considerations			
	29.11.1	Rights of Surviving Spouse in Credit Shelter Trust			
	29.11.2	Selecting the Appropriate Allocation of Income and Principal Among the Spouse and Beneficiaries			
	29.11.3	Structuring Credit Shelter/Bypass Trust as Asset			
		Protection Trust			
29.12					
	29.12.1	Section 2032A Special Use Valuation for Farms			
	29.12.1	Section 303 Redemption to Pay Estate Taxes and			
	27.12.2	Administration Expenses			

	29.12.3		erral of Estate Taxes for Closely Held	
		Businesses		29-21
I	PART XI	POWERS OF A	TTORNEY	
СНАІ	PTER 30		WERS OF ATTORNEY FOR	
			ATTERS	30-1
30.1			ney — A Critical Document	30-1
30.2				30-1
30.3		_	aring a Durable General Power of	20.2
				30-2
	30.3.1		Power	30-2
	30.3.2		Attorney-in-Fact	30-3
	30.3.3		rs	30-4
		*Form 30-1:	Durable General Power of Attorney — Effective Upon Execution	30-4.1
		*Form 30-1A:	Indemnification Language to Induce Third Party's Acceptance of POA	30-7
		*Form 30-2:	Durable General Power of Attorney — Effective Upon Disability	30-7
		*Form 30-3:	Limited Power of Attorney (for Handling Real Estate Settlement)	30-11
		*Form 30-4:	Limited Power of Attorney for Limited Duration	30-13
		*Form 30-5:	Grant to Two Attorneys-in-Fact Acting Jointly or Severally	30-15
		*Form 30-6:	Grant to Two Attorneys-in-Fact Acting Jointly (Not Severally)	30-15
		*Form 30-7:	Broad Gift-Giving Power With Power to Disclaim	30-15
		*Form 30-8:	Gifts to Children and Grandchildren Limited Annually to \$10,000 plus Tuition and Medical Costs	30-15
		*Form 30-9:	Gifts to Children and Grandchildren Consistent with Past Gifts	30-15
		*Form 30-10:	Broad Gift-Giving Power with Power to Disclaim; Gifts to Attorney-in-Fact Limited to "5 & 5" Power to Avoid	
		*Form 30-10A:	General Power of Appointment	30-16
		*Form 20.11:	Savings; Disclaimer Power	30-16
		*Form 30-11:	Escrow Agreement for Durable Power of Attorney	30-17

		*Form 30-12	2: Affidavit as to Power of Attorney Being in Full Force	30-17	
		*Form 30-12	· ·	30-18	
		*Form 30-13		30-19	
		*Form 30-14		50 17	
		Torm 50 T	Long-Term Care Planning	30-20	
		*Form 30-15		30-20	
		*Form 30-16		30-21	
		*Form 30-17			
			Information under HIPAA	30-21	
		*Form 30-18	Power to Provide for Support of		
			Principal and Dependents)	30-21	
СНАР	TER 30A	2010 MAR	YLAND GENERAL AND LIMITED		
CIIAI	IER JUA		OF ATTORNEY ACT	30A-1	
30A.1	General		• • • • • • • • • • • • • • • • • • • •	30A-1	
30A.2	Backdroj	of New Law		30A-1	
	30A.2.1	Refusal to A	ccept Valid Power	30A-1	
	30A.2.2	Abuse by Ag	gents	30A-2	
30A.3	"Statutor	y Forms" und	er the 2010 POA Act and their Advantages	30A-2	
	30A.3.1	The "Substan	ntially in the Same Form As" Test	30A-2	
	30A.3.2	Remedies for	r Refusing to Honor a Statutory Power	30A-2	
		30A.3.2.1	Mandatory Acceptance	30A-2	
		30A.3.2.2	Remedies for Refusal to Accept	30A-3	
		30A.3.2.3	Not Using Statutory Powers	30A-3	
30A.4	The Statu	utory Forms .		30A-3	
	30A.4.1	The Personal	l Financial Power of Attorney	30A-4	
	30A.4.2	The Limited	Power of Attorney	30A-4	
	30A.4.3	Choice Betw	een the Statutory Forms	30A-4	
30A.5	Durabilit	у		30A-5	
30A.6	Standing			30A-5	
30A.7	New Exe	cution Requir	rements	30A-5	
30A.8	"Substantially In The Same Form As" Test				
	30A.8.1	"Special Inst	tructions"	30A-6	
		Adequacy of	Personal Financial Power of Attorney/Use of all Power	30A-6	
	30A.8.3	-	ers to Add to Statutory Personal Financial Power	30A-7	
	30A.8.4	-	ory Personal Financial Power of Attorney as		
			ower	30A-10	
		30A 8 4 1	Simplicity and Enforceability	30A-10	

	30A.8.4.	88	
		Special Instructions of Statutory Form	
	30A.8.4.	3 Other Provisions for Special Instructions	30A-10
30A.9	New Agent Respon	nsibilities and Duties	30A-10
30A.10	Reimbursement of	Expenses and Compensation	30A-11
30A.11	Special Termination	on Rule upon Divorce	30A-11
30A.12	Agent's Certificati	on Form	30A-11
	*Form 30A-1:	Maryland Statutory Form Personal Financial Power	
		of Attorney	30A-11
	*Form 30A-2:	Maryland Statutory Form Limited Power of	
		Attorney	30A-19
	*Form 30A-3:	Supplemental Durable General Power of Attorney	
		of [Client] Expressly Declaring All Supplemental	30A-38
	ΨE 20.4.4		30A-38
	*Form 30A-4:	Authority of Agent to Change Beneficiary of Retirement Plan	30A-40
	*Form 30A-5:	Revocation Provision for Maryland Statutory	30A-40
	Tollii SoA-S.	Personal Financial Power of Attorney	
		(for Special Instructions)	30A-40
	*Form 30A-6:	Effective Upon Incapacity – Statutory Definition	
	*Form 30A-7:	Effective Upon Disability – Only As Long As	
		Disability Continues/Enlarged and Restrictive	
		Definition of Disability	30A-41
	*Form 30A-8:	Effective upon Disability - Only as Long as	
		Disability Continues/Enlarged and Restrictive	
		Definitions of Disability	30A-41
CHAPT	TER 31 HEAL	TH CARE POWERS OF ATTORNEY AND	
		NCE DIRECTIVES	31-1
31.1	General		31-1
31.2	Health Care Power	rs of Attorney	31-1
31.3	Advance Directive	/Living Will	31-2
31.4	Emergency Medic	al Services (EMS) and Do Not Resuscitate (DNR)	
	Orders		31-3
	*Form 31-1:	Maryland Advance Directive: Planning for Future	
		Health	31-4
	*Form 31-2:	Health Care Planning Using Advance Directives	31-8.7
	*Form 31-3:	The Halachic Living Will	31-8.11
	*Form 31-4:	Maryland EMS/DNR and Medical Care Order	
		(With Instructions)	31-14
	*Form 31-5:	MOLST Form	31-16

PART XII CHARITABLE GIFT PLANNING

CHAP	TER 32	CHARIT	ABLE GIFT PLANNING	32-1		
32.1	Closely Held Corporate Charitable Contributions					
	32.1.1	Constructiv	ve Dividends	32-1		
	32.1.2	Redemptio	n of Charitable Gifts of Business Interests	32-2		
32.2	Individu	Individual Gifts and Bequests				
	32.2.1	Income Tax Deduction Limits				
	32.2.2	Unlimited (Gift and Estate Tax Deduction	32-7		
		32.2.2.1	Reporting the Gifts	32-7		
		32.2.2.2	Limits on Deduction for Tangible			
			Personal Property	32-7		
32.3	Charitable Remainder Trusts			32-7		
	32.3.1	General Features of CRTs				
	32.3.2	2 Unique Aspects of the Charitable Remainder Unitrust				
		(CRUT)		32-10		
		32.3.2.1	NIMCRUTS	32-11		
		32.3.2.2	Mandatory Provisions	32-13		
		32.3.2.3	Optional Provisions	32-15		
	32.3.3	Unique Aspects of the Charitable Remainder Annuity Trust				
		(CRAT)		32-16		
		32.3.3.1	Mandatory Provisions	32-17		
		32.3.3.2	Optional Provisions	32-18		
	32.3.4	Taxation of	the Donor	32-19		
		32.3.4.1	Income Tax Deduction	32-19		
		32.3.4.2	Capital Gains	32-20		
		32.3.4.3	Gift Tax	32-20		
		32.3.4.4	Estate Tax	32-20		
		32.3.4.5	Generation-Skipping Transfer Tax	32-20		
	32.3.5 Income Taxation of the Trust		cation of the Trust	32-21		
		32.3.5.1	Reporting Requirements for a CRT	32-22		
	32.3.6	Income Taxation of the Non-Charitable Beneficiary				
	32.3.7	Prohibited	Transactions Rules	32-24		
	32.3.8	Planning Considerations				
		32.3.8.1	Funding the CRT	32-24		
		32.3.8.2	Marital Deduction Planning — Spousal CRT or QTIP with Remainder to Charity	32-26		
		32.3.8.3	Selecting a Trustee	32-26		
		32.3.8.4	Choosing the CRUT or the CRAT	32-27		
		32.3.8.5	Investment Issues	32-27		

		32.3.8.6		CRT Planning Need to Be	32-28	
	32.3.9	Some Applie	-		32-28	
	32.3.7	32.3.9.1		an Supplement or Substitute	32-28	
		32.3.9.2		ication Opportunity	32-29	
		32.3.9.3		Businesses	32-29	
		32.3.9.4	•	ring and Wealth Replacement	32-29	
		32.3.9.5		surance and the CRUT as a	<i></i>	
		02.019.10	Tax-Favored N	Means of Providing an Annuity	32-30	
		32.3.9.6		Dealing with Income in Respect (RD)	32-30	
32.4	Charital	Charitable Lead Trust				
	32.4.1	32.4.1 Taxation of Lead Trusts			32-32	
	32.4.2	Drafting Charitable Lead Trusts			32-33	
	32.4.3	Planning for	Planning for Lead Trusts			
32.5	Gifts of	Remainder In	terests in Reside	ence or Farm	32-35	
32.6	Split-Int	terests in Tang	ible Personal Pr	ble Personal Property		
32.7	Conservation Easements				32-37	
32.8	Sample Forms for Charitable Remainder Annuity Trusts and					
	Unitrusts (Inter Vivos and Testamentary)				32-39	
	32.8.1	Sample Form	ample Forms for Charitable Remainder Annuity Trusts			
		32.8.1.1	1.1 Inter Vivos		32-39	
			*Form 32-1:	Sample Inter Vivos Charitable Remainder Annuity Trust - One Life	32-40	
			*Form 32-2:	Sample Inter Vivos Charitable Remainder Annuity Trust -	32-40	
				Term of Years	32-41	
			*Form 32-3:	Sample Inter Vivos Charitable Remainder Annuity Trust - Two Lives, Consecutive		
				Interests	32-42	
			*Form 32-4:	Sample Inter Vivos Charitable Remainder Annuity Trust - Two Lives, Concurrent and		
				Consecutive Interests	32-44	
		32.8.1.2	Testamentary .		32-46	
			*Form 32-5:	Sample Testamentary Charitable Remainder Annuity Trust - One Life	32-46	
			*Form 32-6:	Sample Testamentary Charitable Remainder Annuity		
				Trust - Term of Years	32-47	

1		PART XIII		DEX-1
		1 0mi 32-10.	Charitable Remainder Unitrust — Two Lives, Concurrent and Consecutive Interests	32-66
		*Form 32-15:	Sample Testamentary Charitable Remainder Unitrust — Two Lives, Consecutive Interests	32-64
		*Form 32-14:	Sample Testamentary Charitable Remainder Unitrust — Term of Years	32-62
		*Form 32-13:	Sample Testamentary Charitable Remainder Unitrust — One Life	32-60
	32.8.2.2	•		32-60
		*Form 32-12:	Sample Inter Vivos Charitable Remainder Unitrust — Two Lives, Concurrent and Consecutive Interests	32-58
		*Form 32-11:	Sample Inter Vivos Charitable Remainder Unitrust — Two Lives, Consecutive Interests	32-55
		*Form 32-10:	Sample Inter Vivos Charitable Remainder Unitrust — Term of Years	32-53
		*Form 32-9:	Sample Inter Vivos Charitable Remainder Unitrust — One Life	32-52
	32.8.2.1	Inter Vivos		32-52
32.8.2	Sample Form	ns for Charitable	and Consecutive Interests Remainder Unitrusts	32-50 32-52
		*Form 32-8:	Sample Testamentary Charitable Remainder Annuity Trust - Two Lives, Concurrent	22.50
		*Form 32-7:	Sample Testamentary Charitable Remainder Annuity Trust - Two Lives, Consecutive Interests	32-49