Contents

PART I ESTATE PLANNING: A PRACTICE-ORIENTED APPROACH

CHA	PTER 1	HOW TO USE	THIS BOOK	1-
1.1	Locatin	g the Proper Forn	and Use of Accompanying Materials	1-
1.2	The Thi	ree Major Will ar	nd Trust Forms Headings	1-
1.3	Wills as	s Primary Testam	entary Instruments—Five Categories	1-
1.4	Revoca	ble (Living) Trus	ts and Pour-Over Wills	
	(Part VI	II)—Five Catego	ries	1-
1.5	Irrevoca	able Trusts (Part	VIII)—Five Categories	1-
1.6			lauses	1-
1.7	Summa	ry		1-
СНА	PTER 2	ESTATE PLAN	NNING: ESSENTIAL	
		OBJECTIVES		2-
2.1			nning Objectives: Disposition of	
	Assets a		ce	2-
	2.1.1	Dispositive Es	state Planning	2-
	2.1.2	Estate Tax Pla	nning	2-
2.2	Initiatin	ng the Estate Plan	nning Process: Strategies and	
	Recomi	mendations		2-
	2.2.1	Coordinating	the Different Segments	2-
	2.2.2	Initial Client C	Contact: Objectives	2-
		*Form 2-1:	Letter to Client Following Initial	
			Client Contact—to Accompany Estate	
			Planning Questionnaire	2-
		*Form 2-2:	Estate Planning Questionnaire—for	
			Married Client	2-
		*Form 2-2A:	Estate Planning Questionnaire—for	
			Single Client	2-1
		*Form 2-2B:	Estate Planning Questionnaire—for	
			Married Client—Shorter	
			Alternative	2-1
	2.2.3	Effective Gath	ering of Client Information:	
		The Client Est	tate Planning Questionnaire	2-2
		2.2.3.1 Fa	mily Information	2-2
		2.2.3.2 As	ssets and Liabilities	2-2

	2.2.4	Initial Client Meeting	2-24
		2.2.4.1 Information Gathering	
		2.2.4.2 Dispositive Goals	
		2.2.4.3 Selection of Fiduciaries and	
		Guardians	2-25
		2.2.4.4 Wills vs. Probate Substitutes	
		*Form 2-3: Memorandum to	
		Client Re: Advantag	ges and
		Disadvantages of R	evocable
		Trusts vis-à-vis Wil	ls in
		Pennsylvania	2-26
		2.2.4.5 Powers of Attorney	2-28
2.3	Nature	and Scope of the Estate Planning Engagement	
	and Att	torney's Fee	
	2.3.1	Discussing the Engagement and Fee	2-29
		*Form 2-4: Engagement/Fee Letter with	
		Dual Representation Provisions	
	2.3.2	Establishing the Fee	
	2.3.3	Ethical Issues in Representing Both Husband	
		and Wife	2-33
		DA DÆ H	
	CIA	PART II	13/1/DII
		MPLE WILLS: FOR MARRIED COUPLES	
	CON	MBINED ESTATES NOT EXCEEDING LIFI	
		EXEMPTION (Federal Applicable Exclusio Amount—i.e., \$10,000,000)	11
		Overview of Part II: When to Use Simple Will	c
		Overview of Fart II. When to ose simple will	3
СНАР	TER 3	SIMPLE WILLS FOR MARRIED	
		COUPLES WITH ADULT CHILDREN	3-1
3.1	Overvio	ew	3-1
	3.1.1	Overall Summary of Dispositive Provisions	
		for Wills in Category	3-1
3.2	Pure "S	Sweetheart" Wills—Outright to Spouse	
	3.2.1	Summary of Dispositive Provisions	3-2
	3.2.2	When to Use These Wills	3-2
	3.2.3	Estate Tax Consequences	
	3.2.4	Forms for Simple "Sweetheart" Wills	3-3
		*Form SW-1H: Husband with Adult Childr	en:
		Outright Gift of Residuary	
		Estate to Spouse, if Survivi	ng;
		if Not, Outright to Adult	
		Children	
		Form SW-1W: Companion Will to SW-1H	
	3.2.5	Key Action Subjects for Strategic Planning.	3-11

3.3	"Sweeth	neart/Trust" Wills—	-to Spouse in Trust Without	
	Tax Plai	nning		3-12
	3.3.1	Overall Summar	y of Dispositive Provisions	3-12
	3.3.2		Trusts—How They Work	3-13
	3.3.3	When to Use The	ese Wills	3-13
	3.3.4	Comparison of M	/arital/QTIP vs. Marital/Power	
		of Appointment	(POA) Trust	3-14
		3.3.4.1 Marit	tal/QTIP Trust	3-14
		3.3.4.2 Marit	tal/POA Trust	3-14
	3.3.5		equences	3-14
	3.3.6	Forms for "Swee	theart/Trust" Wills	3-15
		Form SW-2H:	Husband with Adult Children:	
			Gift of Residuary Estate to	
			Marital (QTIP) Trust; if Spouse	
			Does Not Survive, Outright to	
			Adult Children	
		Form SW-2W:	Companion Will to SW-2H	
		Form SW-3H:	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	
		Form SW-3W:	Companion Will to SW-3H	
		*Form SW-2/3:	Template Simple Will Form for	
			Testator with Adult Children with	
			Alternative Dispositive Provisions	
			for Marital Trust (QTIP or POA)	3-15
	3.3.7	•	ects for Strategic Planning	3-33
3.4			Outright to Children	
		_		3-34
	3.4.1		positive Provisions	3-34
	3.4.2		ese Wills	3-34
	3.4.3		equences	3-34
	3.4.4	-	s Right of Election in Pennsylvania	3-35
	3.4.5		Outright Disposition to Children	3-35
		*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	2.25
		E CW 4W	Estate to Adult Children	3-35
	216	Form SW-4W:	Companion Will to SW-4H	2 42
	3.4.6	Key Action Subje	ects for Strategic Planning	3-43

CHAP	TER 4:	SIMPLE WILLS	S FOR MARRIED COUPLES	
		WITH MINOR	CHILDREN	4-1
4.1	Overvie	w		4-1
	4.1.1	Overall Summar	y of Dispositive Provisions for	
			y	4-1
4.2	Pure "Sy	weetheart" Wills—	to Spouse Outright, with Contingent	
				4-2
	4.2.1	Summary of Dis	positive Provisions	4-2
	4.2.2		eparate Children's Trusts	4-3
	4.2.3		ot Trust for Children	4-3
	4.2.4		ese Wills	4-4
	4.2.5	Estate Tax Conse	equences	4-4
	4.2.6		etheart" Wills with Contingent Trusts	
				4-4
		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-5H-3:	Husband with Minor Children:	
			Outright Gift of Residuary Estate to	
			Spouse, if Surviving; if Not, to	
			Separate Trusts for Children—	
			Complete Distribution at Age 35:	
			Distribution at Three Ages	
		Form SW-5W-3:	Companion Will to SW-5H-3	
		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)	4-4
	4.2.7	Key Action Subj	ects for Strategic Planning	4-22
4.3	"Sweeth	eart/Trust" Wills—	-to Spouse in Trust with Contingent	
	Trusts fo	or Children		4-22
	4.3.1	Summary of Dis	positive Provisions	4-23
	4.3.2			4-24
	4.3.3			4-24
	4.3.4	When to Use The	ese Wills	4-25
	4.3.5	Comparison of M	Iarital/QTIP vs. Marital/POA Trust	4-25

4.3.6 4.3.7	Estate Tax Consequences				
	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—	4-25		
	Form SW-7W: Form SW-7H-3:	Complete Distribution at Age 30 Companion Will to SW-7H Husband with Minor Children: Gift of Residuary Estate to Marital (QTIP) Trust for Benefit of Spouse for Life, Remainder to Separate			
		Trusts for Children—Complete Distribution at Age 35; If Spouse Does Not Survive, to Separate Trusts for Children—Complete Distribution at Age 35; Distribution at Three Ages			
	Form SW-7W-3:				
	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, Remain			
		to Children in Separate Trusts—Comple	te		
		Distribution at Age 30; if Spouse			
		Does Not Survive, to Separate Trusts			
		for Children—Complete Distribution			
	T 0	at Age 30			
	Form SW-9W:	Companion Will to SW-9H			
	Form SW-9H-3:				
		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 Powe	
		Remainder to Children in Separate	,
		Trusts—Complete Distribution at	
		Age 35; if Spouse Does Not Survive, to)
		Separate Trusts for Children—Complete	
		Distribution at Age 35: Distribution at	.~
		Three Ages	
	Form SW-9W-3:	•	
	Form SW-10H:	Husband with Minor Children:	
	101111 5 11 1011.	Gift of Residuary Estate to	
		Marital Power of Appointment	
		Trust for Benefit of Wife for Life, Rem	ainder
		to Distributees Appointed by Surviving	
		Spouse; upon Failure to Exercise Powe	
		Remainder to Children in Pot	1,
		Trust until Youngest Child	
		Attains Age 25; if Wife Does Not Survi	ive
		to Pot Trust until Youngest Child Attain	
		Age 25	13
	Form SW-10W:	Companion Will to SW-10H	
		Template Simple Will Form for	
	10m 5 W-7-10.	Testator with Minor Children with	
		Alternative Dispositive Clauses for	
		Marital Trusts for Spouse and	
		<u>*</u>	4-26.1
4.3.8	Vay Action Cubic	cts for Strategic Planning	4-48
	•	Outright to Trust for Minor Children	4-40
			4-48
4.4.1		positive Provisions	4-49
4.4.1		ese Wills	4-49
4.4.2			
4.4.3		quences	4-49 4-50
4.4.4		s Right of Election in Pennsylvania	4-30
4.4.3		Disposing of Property to Trust for	4.50
		Male Testator with Minor Children	4-50
	Form SW-11H:	Trans Testator Williams Chinesen	
		Whose Spouse Has Predeceased	
		Him, or Is to Be Given No Interest	
		under Will: Gift of Residuary Estate	
		to Separate Trusts for Children—	
	E CW 11W	Complete Distribution at Age 30	
	Form SW-11W:	Companion Will to SW-11H	

4.4

		Form SW-11H-3:	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 35;	
			Distribution at Three Ages	
		Form SW-11W-3:	Companion Will to SW-11H-3	
		Form SW-12H:	Male Testator with Minor	
		1 01111 5 W 1211.	Children Whose Spouse Has Predece	essed
			Him, or Is to Be Given No Interest u	
			Will: Gift of Residuary Estate to Pot	
			Trust until Youngest Child Attains	
			Age of 25	
		Form SW-12W:	•	
		*Form SW-11/12:	Companion Will to SW-12H	
		"FOIIII S W-11/12:	Template Simple Will Form with	
			Alternative Dispositive Clauses for	
			Testator with Minor Children,	
			Whose Spouse Has Predeceased	
			Him, or Is to Be Given No Interest	
			under Will; Gift of Residuary	
			Estate for Children (Separate Trusts	
			or Pot Trust)	4-50
	4.4.6		Wills	4-67
		*Form CW-1	Contract to Make Wills for a	
			Same-Sex Couple	4-67
		*Form CW-2	Contract to Make Wills for a	
			Couple with Children from	
			Previous Marriage	4-68
	4.4.7	Key Action Subjec	ts for Strategic Planning	4-70
			PART III	
			ITH CREDIT SHELTER/BYPASS	
			ON WITH MARITAL BEQUEST	
		_	UST): FOR MARRIED COUPLES	
		OIIIDII IBD BOIIIII	ES EXCEEDING THE COMBINED	
LI	FETIME	EXEMPTIONS (AI	PPLICABLE EXCLUSION AMOUN	√T)
СНА	PTER 5	STRATEGIC PLA	NNING WITH CREDIT SHELTER	,
CIIA	IIENS		······································	, 5-1
5.1	The Cha		Estate Planning	5-1
5.2				5-2
5.3			ability	5-3

5.4	Basis S	tep-Up Plus Credit	Shelter Trust	5-4
5.5	Effective Utilization of Lifetime Exemption through Trusts			5-7
5.6	Exampl	le: The "Sweethear	t Will" Pitfall and the Credit	
	Shelter	Bypass Trust Solu	tion	5-8
5.7	Workin	gs of the Bypass T	rust	5-9
5.8	Alterna	tives for Structurin	g Bypass Trust	5-10
	5.8.1	Using a Bypass	Trust with a Limited Power of	
		Appointment to	Allow for Disclaimer	5-11
5.9	The "A	-B" Will System ar	nd Formula Clauses	5-11
CHAF	TER 6		G WILLS WITH CREDIT SHELTER	/
		BYPASS TRUST	TS IN COMBINATION	
		WITH MARITA	L BEQUEST (OUTRIGHT OR	
		_	-FOR MARRIED COUPLES	
		WITH COMBIN	NED ESTATES EXCEEDING	
		LIFETIME EXI	EMPTION OF \$10,000,000	6-1
6.1	Wills w	rith Bypass Trust a	nd Outright Marital Bequest—for	
	Marrie	d Couples with Adu	ılt Children	6-1
	6.1.1		otion of Wills	6-1
	6.1.2	Summary of Di	spositive Provisions	6-1
	6.1.3	Graphic Summa	ary of Dispositive Provisions of Credit	
			Trust and Estate Tax Effects	6-2
	6.1.4	When to Use Th	nese Wills	6-3
	6.1.5	Estate Tax Cons	sequences	6-4
	6.1.6	Will Forms with	Bypass Trust and Outright Marital	
		Bequest		6-4
		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,	
			per Stirpes	
		Form TP-1W:	Companion Will to TP-1H	
		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,	
			per Stirpes	
		Form TP-2W:	Companion Will to TP-2H	
		Form TP-3H:	Marital Bequest Outright to Spouse;	
			Credit Shelter Bequest to	
			Residuary/Bypass Trust with Income	

			to Spouse, Spray of Principal to Spous and Children, Remainder (or Entire Estate if Spouse Does Not Survive) to	e
			Living Descendants, per Stirpes	
		Form TP-3W:	Companion Will to TP-3H	
		*Form TP-1-3:	Template Form for Testator with	
			Adult Children: with Alternative	
			Dispositive Methods for	
			Residuary/Bypass Trust	6-5
	6.1.7	Client Presentati	ion Charts for TP-1, TP-2,	
		and TP-3		6-21
	6.1.8	Key Action Subj	ects for Strategic Planning	6-23
6.2	Wills w		nd Outright Marital Bequest for	
			or Children	6-24
	6.2.1		tion of Wills	6-24
	6.2.2	_	ry of Dispositive Provisions	6-24
	6.2.3		ry of Dispositive Provisions of	
		-	ypass Trust and Estate Tax Effects	6-24
	6.2.4		ese Wills	6-28
	6.2.5		equences	6-29
	6.2.6		ss Trust and Outright Marital—with	0 - >
	0.2.0		ren	6-29
		Form TP-4H:	Marital Bequest Outright to Spouse;	0 - >
		1 01111 11 1111	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)	
		Form TP-4W:	Companion Will to TP-4H	
		Form TP-5H:	Marital Bequest Outright to Spouse;	
		1 01III 11 311.	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)	
		Form TP-5W:	Companion Will to TP-5H	
		Form TP-6H:	=	
		roim ir-on.	Marital Bequest Outright to Spouse; Credit Shelter Bequest to Residuary/	
			- · · · · · · · · · · · · · · · · · · ·	and
			Bypass Trust with Income to Spouse	
			Spray of Principal to Spouse and Chil	uren,

			Not Survive) to Living Descendants, per Stirpes (Separate Trusts for Descendants under 30)	Does
		Form TP-6W:	Companion Will to TP-6H	
		Form TP-7H:	Marital Bequest Outright to Spouse;	
			Credit Shelter Bequest to Residuary/By	ypass
			Trust with Income and Principal to Spo	ouse,
			Remainder (or Entire Estate if Spouse	Does
			Not Survive) to Living	
			Descendants, per Stirpes (Pot Trust	
			until Youngest Child Attains 25)	
		Form TP-7W:	Companion Will to TP-7H	
		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 Child Attains	25)
		Form TP-8W:	Companion Will to TP-8H	
		Form TP-9H:	Marital Bequest Outright to Spouse;	
			Credit Shelter Bequest to Residuary/By	ypass
			Trust with Income to Spouse and Spray	y 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)	
		Form TP-9W:	Companion Will to TP-9H	
		*Form TP-4–9:	Template Form for Testator with Minor	r
			Children: with Alternative Dispositive	
			Methods for Residuary/Bypass Trust	
			and Trust for Children	6-30
	6.2.7	Client Presentation	on Charts for TP-4, TP-5, TP-6,	
		TP-7, TP-8, and '	ГР-9	6-51
	6.2.8	Key Action Subje	ects for Strategic Planning	6-56
СНАР	TER 7	TRUSTS ("A" SH	K PLANNING WITH MARITAL/QTIP IARE) IN COMBINATION WITH ("B" SHARE): THE "A-B" TRUST	
			•••••	7-1
7.1	Descrip		st Structure	7-1
7.2	The Ma	arital Trust in Genera	al	7-1

7.3	The Un	limited Marital Dedu	action and Strategic Planning	
	with QT	TIP Trusts		7-2
7.4	Federal	Tax Requirements o	f QTIP Trust	7-3
СНАР	TER 8	BYPASS TRUSTS WITH COMBINE LIFETIME EXEM	WILLS WITH QTIP AND : FOR MARRIED COUPLES D ESTATES EXCEEDING IPTION (PECUNIARY	
			•••••	8-1
8.1			s Trusts—for Married Couples	
				8-1
	8.1.1	_	on of Wills	8-1
	8.1.2		ositive Provisions	8-1
	8.1.3		ositive Provisions and Estate	
		Tax Effects of Ma	rital and Credit Shelter/Bypass	
				8-2
	8.1.4		se Wills	8-2
	8.1.5	-	uences	8-3
	8.1.6		OTIP and Bypass Trusts—Married	
		-	Children	8-3
		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 to 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	
		Form TP-12W:	Companion Will to TP-12H	

		*Form TP-10-12:	Template Form for Testator with Adu	ılt
			Children: Marital (Pecuniary) Beque	
			to Marital (QTIP) Trust for Benefit o	
			Spouse of Amount in Excess of Unif	
			Credit Equivalent; Residuary Estate t	
			Credit Shelter Bypass Trust	8-4
	8.1.7	Client Presentation	Charts for TP-10, TP-11,	0 1
	0.1.7			8-22
	8.1.8		ets for Strategic Planning	8-25
8.2			Trusts—Married Couples with	0-23
0.2				8-26
	8.2.1			8-26
	8.2.2		on of Wills	8-26
			ositive Provisions	8-20
	8.2.3		ositive Provisions and Tax Effects	0.26
	0.0.4		dit Shelter/Bypass Trusts	8-26
	8.2.4		e Wills	8-27
	8.2.5		uences	8-27
	8.2.6		TIP and Bypass Trust—for	
			vith Minor Children	8-28
		Form TP-13H:	Marital Bequest to QTIP Trust;	
			Credit Shelter Bequest to Residuary/	
			Bypass Trust with Income and Princi	
			Spouse; Remainder (or Entire Estate	if
			Spouse Does Not Survive) to Living	
			Descendants, per Stirpes (Separate	
			Trusts for Descendants under 30)	
		Form TP-13W:	Companion Will to TP-13H	
		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 und	ler 30)
		Form TP-14W:	Companion Will to TP-14H	
		Form TP-15H:	Marital Bequest to QTIP Trust; Cred	it
			Shelter Bequest to Residuary/Bypass	;
			Trust with Income to Spouse and	
			Spray of Principal to Spouse and	
			Children; Remainder (or Entire Estat	e
			if Spouse Does Not Survive) to Livin	
			Descendants, per Stirpes (Separate	_
			Trusts for Descendants under 30)	
		Form TP-15W:	Companion Will to TP-15H	
		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	
		E	Youngest Child Attains 25)	
		Form TP-16W:	Companion Will to TP-16H	
		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 Stirpes	
			(Pot Trust until Youngest Child Attain	ıs 25)
		Form TP-17W:	Companion Will to TP-17H	
		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	e
			Does Not Survive) to Living	
			Descendants, per Stirpes (Pot Trust	
			Until Youngest Child Attains 25)	
		Form TP-18W:	Companion Will to TP-18H	
		*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	8-29
	8.2.7	Client Presentation	Charts for TP-13, TP-14, TP-15,	
		TP-16, TP-17, and	TP-18	8-52
	8.2.8	Key Action Subjec	ts for Strategic Planning	8-60
СНАР	TER 9	TAX PLANNING V	VILLS WITH	
		MARITAL ("A") A	ND CREDIT SHELTER	
			SE OF PECUNIARY	
			R AND RESIDUARY	
		MARITAL BEQUE	ESTS (REVERSE	
		_	(MULA)	9-1
9.1	Overvie		iderations	9-1
9.2			ith Bypass Trust and Outright	
-		_	ouples with Adult Children	9-2
	9.2.1		on of Wills	9-2
	/ · - · ·	Semeral Description		

	9.2.2	Summary of Disp	ositive Provisions	9-2
	9.2.3		se Wills	9-2
	9.2.4	Estate Tax Consec	quences	9-3
	9.2.5	Form Reverse Peo	cuniary Wills with Bypass Trust and	
			Bequest	9-3
		*Form TP-19H:	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 Living	
			Descendants, per Stirpes	9-4
		Form TP-19W:	Companion Will to TP-19H	
	9.2.6		on Chart for TP-19	9-19
9.3			for Married Couples with Adult	
				9-19
	9.3.1		on of Wills	9-19
	9.3.2		ositive Provisions	9-20
	9.3.3		se Wills	9-20
	9.3.4		quences	9-21
	9.3.5		cuniary Wills with QTIP and	
				9-21
		*Form TP-20H:	Pecuniary Credit Shelter Bequest to	
			Bypass Trust; Marital Bequest to	
			QTIP Trust; Remainder (or Entire	
			Estate if Spouse Does Not Survive) to	
			Living Descendants, per Stirpes.	9-21
		Form TP-20W:	Companion Will to TP-20H	
	9.3.6	Client Presentation	on Chart for TP-20	9-38
9.4	"Revers	e Pecuniary" Wills	with Bypass Trust and Outright	
			Couples with Minor Children	9-40
	9.4.1		on of Wills	9-40
	9.4.2		ositive Provisions	9-40
	9.4.3	When to Use The	se Wills	9-41
	9.4.4	Estate Tax Consec	quences	9-41
	9.4.5	Form Reverse Peo	cuniary Wills with Bypass Trust and	
		Outright Marital l	Bequest	9-42
		Form TP-21H:	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 Living Descendants,	
			per Stirpes (Separate Trusts for	
			Children under 30)	
		Form TP-21W:	Companion Will to TP-21H	

		Form TP-22H:	Pecuniary Credit Shelter Bequest to	
			Bypass Trust for Benefit of Spouse a	nd
			Children; Marital Bequest Outright to	
			Spouse; Remainder (or Entire Estate	
			Spouse Does Not Survive) to Pot	••
			Trust until Youngest Child Attains 25	
		Form TP-22W:	Companion Will to TP-22H	
		*Form TP-21/22:	Template Form for Married	
		1 01111 11 -21/22.	Testator with Minor Children;	
			Pecuniary Bequest to Credit	
			Shelter/Bypass Trust During Lifetime	of.
			Wife, Spray Trust for Benefit of Wife	
			Descendants, Remainder to Trusts fo	
			Children (Alternative Clauses for Sep Trusts or Pot Trust)	
	0.46	Cliant Durantation		9-43
0.5	9.4.6		n Charts for TP-21 and TP-22	9-62
9.5			or Married Couples with Minor	0.64
				9-64
	9.5.1		on of Wills	9-64
	9.5.2		ositive Provisions	9-64
	9.5.3		e Wills	9-65
	9.5.4		uences	9-66
	9.5.5		uniary Wills with QTIP and	0.66
				9-66
		Form TP-23H:	Pecuniary Credit Shelter Bequest to	
			Bypass Trust; Marital Bequest to Q	
			Trust; Remainder of Trusts (or Entir	e
			Estate if Spouse Does Not Survive)	
			to Living Descendants, per Stirpes	
			(Separate Trusts for Children under	30)
		Form TP-23W:	Companion Will to TP-23H	
		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	
		Form TP-24W:	Companion Will to TP-24H	
		*Form TP-23/24:	Template Form for Married Testator	
			with Minor Children; Pecuniary Bed	-
			to Credit Shelter/Bypass Trust—Du	_
			Lifetime of Wife, Spray Trust for Be	
			of Wife and Descendants, Remainde	r
			to Trusts for Children (Alternative	
			Clauses for Separate Trusts	
			or Pot Trust)	9-67

9.5.7 Key Action Subjects for Strategic Planning	
DA DELLY	
PART IV "FLEXIBLE" TAX PLANNING WILLS WITH DISCI	AIMER
TRUSTS: MARRIED COUPLES WITH COMBINED I	
APPROACHING OR EXPECTED TO EXCEED LIF	
EXEMPTION OR WHO DESIRE A FLEXIBLE APP	
CHAPTER 10 STRATEGIC PLANNING WITH "FLEXIB	LE"
DISCLAIMER TRUSTS	
10.1 Overview of the Disclaimer Trust Technique	
10.2 Requirements of a Qualified Disclaimer	
10.2.1 Federal Tax Requirements and Consequences	
10.2.2 The Pennsylvania Disclaimer Law	
10.2.2.1 Classes of Individuals Who Ma	
Disclaim under Pennsylvania L	aw 10-3
10.2.2.2 Time Limits and Place for Filir	
Disclaimer	10-3
10.2.2.3 Other Requirements under	
Pennsylvania Law	
*Form 10-1: Disclaimer of Sh	
Stock	
*Form 10-2: Disclaimer of Into	
under Revocable	
10.3 When is a Disclaimer Used—in General	10-7
10.4 Reducing the Marital Deduction through a Disclaimer:	10.7
A Case Study	
10.5.1 The Impact of the Increasing Lifetime Exempon Formula Clause Wills and Revocable	puon
Trusts—"the ATRA Trap"	10-9
10.5.2 The Flexible Disclaimer Trust Solution	
10.5.3 Some Pitfalls and Disadvantages of Disclaim	
Approach	
10.6 Increased Use of Disclaimer Trusts in Light of Other Sta	
"Decoupled" Estate Tax	
10.7 Use of Deceased Spouse's Unused Exemption Amount	
Versus Use of Trusts	10-11
CHAPTER 11 TAX PLANNING WILLS WITH	
DISCLAIMER TRUSTS	11-1
11.1 Disclaimer Wills for Married Couples with Adult Childr	
11.1.1 Summary of Dispositive Provisions	
11.1.2 Summary of Dispositive Provisions and Tax	
of Disclaimer Trust	

	11.1.3	When to Use The	ese Wills	11-3
	11.1.4	Estate Tax Conse	equences	11-3
	11.1.5		Disclaimer Trusts—for Married	
			ult Children	11-4
		Form DW-1H:	Gift of Residuary Estate Outright	
			to Spouse with Disclaimer Option to	0
			"Disclaimer Trust" for Benefit of	
			Spouse, Remainder (or Entire Estate	e.
			if Spouse Does Not Survive) to Livi	
			Descendants, per Stirpes	5
		Form DW-1W:	Companion Will to DW-1H	
		Form DW-2H:	Gift of Residuary Estate Outright	
		1 01111 D W 211.	to Spouse with Disclaimer Option	
			to "Disclaimer Trust" for Benefit	
			of Spouse and Descendants During	
			Spouse's Life (Preference to Spouse	a)
			Remainder (or Entire Estate if Spou	
			Does Not Survive) to Living	130
			Descendants, per Stirpes	
		Form DW-2W:	Companion Will to DW-2H	
		Form DW-3H:	Gift of Residuary Estate Outright	
		1 01111 D W 311.	to Spouse with Disclaimer Option	
			to "Disclaimer Trust" (Income to	
			Spouse, Spray of Principal to	
			Spouse and Descendants),	
			Remainder (or Entire Estate if Spou	se
			Does Not Survive) to Living Descend	
			per Stirpes	uains,
		Form DW-3W:	Companion Will to DW-3H	
		*Form DW-1–3:	Template Form for Married	
		101111 DW-1-3.	Testator with Adult Children: Will	
			with "Disclaimer Trust" with	
			Alternative Methods for Trust	
			Distributions	11-4
	11.1.6	Vay Action Subje		11-21
11.2			ects for Strategic Planning d Couples with Minor Children	11-21
11.2	11.2.1		isions of Wills in Category	11-21
	11.2.1		positive Provisions and Tax	11-21
	11.2.2		imer Trust	11-22
	11 2 3		ese Wills	11-22
	11.2.3 11.2.4			11-26
	11.2.4		equences	11-20
	11.2.3		or Children	11-27
		Form DW-4H:	Gift of Residuary Estate Outright to	11-4/
		10IIII DW-411.	Spouse with Disclaimer Option to	
			"Disclaimer Trust" for Benefit of	
			Disciannel Trust 101 Denem 01	

Spouse, Remainder (or Entire Estate

if Spouse Does Not Survive) to Living Descendants, *per Stirpes* (Separate Trusts for Descendants under 30)

Form DW-4W: Companion Will to DW-4H

Form DW-4H-3: 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 35;

Three Distribution Ages

Form DW-4W-3: Companion Will to DW-4H-3

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)

Form DW-5W: Companion Will to DW-5H

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)

Form DW-6W: Companion Will to DW-6H

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 Attains 25

Form DW-7W: Companion Will to DW-7H

Form DW-8H: Gift of Residuary Estate Outright

to Spouse with Disclaimer Option to "Disclaimer Trust"—Spray of Income and Principal to Spouse

	Form DW-8W: Form DW-9H:	and Descendants; Remainder (or Entire Estate if Spouse Does Not Survive) to Pot Trust until Youngest Child Attains 25 Companion Will to DW-8H Gift of Residuary Estate Outright to Spouse with Disclaimer Option to "Disclaimer Trust"—Income to Spouse, Spray of Principal to Spouse and Descendants; Remain (or Entire Estate if Spouse Does N Survive) to Pot Trust until Younge	der Not
	Form DW-9W: *Form DW-4–9:	Child Attains 25 Companion Will to DW-9H 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	11-28
	11.2.6 Key Action Subje	cts for Strategic Planning	11-50
СНАР	GENERATION-SKIPPIN PLANNING WITH G	ART V NG TRANSFER ("GST") TAX SENERATION-SKIPPING R LARGE ESTATES NNING WITH	
		CIPPING TRUSTS	12-1
12.1		pping Transfer Tax (GST)	12-1
12.2		ne GST Exemption	12-2
12.3		emption—Benefits to Children	
12.3		·····	12-3
12.4	Allocation of GST Exemptio		12 3
12.1		· · · · · · · · · · · · · · · · · · ·	12-3
12.5		ration-Skipping Trusts	12-4
12.6	The "Reverse QTIP" Election	11 0	12 7
12.0		rust	12-6
12.7	Use of the First Spouse's No.		12-0
12./		Surviving Spouse	12 0
120	Ramifications and Drafting Co	- 1	12-8
12.8	FGTRR A and TR A 2010	msiderations in Light of	12-0

CHAPTER 13		3 TAX PLANNING WILLS WITH GENERATION-SKIPPING TRUSTS		
13.1	Wills w		ing Trusts for Married	
			l	13-1
	13.1.1		ion of Wills	13-1
	13.1.2		positive Provisions	13-2
	13.1.3	_	Generation-Skipping Trust	13-4
		*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 to Living Descendants,	
			per Stirpes	13-5
		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	
		T. COT AVV	GST Trusts)	13-28
		Form GST-2W:	Companion Will to GST-2H	
		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 Exampt Children's	
			Marital to Exempt Children's Trusts, Nonexempt Trust to Living	
			Descendants, per Stirpes	
		Form GST-3W:	Companion Will to GST-3H	
		Form GST-4H:	Marital Bequest Divided into	
		1 01111 001 TII.	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)

Form GST-4W: Companion Will to GST-4H

Form GST-5H: Monital Property Divided into

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

Form GST-5W: Companion Will to GST-5H

Form GST-6H: Marital Bequest Divided into Exempt

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)

Form GST-6W: Companion Will to GST-6H 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

Form GST-7W: Companion Will to GST-7H Form GST-8H: 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

		Form GST-8W:	Descendants, per Stirpes (with Flexibility for Distribution of Remainder of Nonexempt Trust to Children's GST Trusts) Companion Will to GST-8H	
	13.1.4	Client Presentation	on Charts for All GST Wills	13-50
	13.1.5	Key Action Subje	ects for Strategic Planning	13-72
	*****		ART VI	
	WILL		ED INDIVIDUALS (SINGLE, D, DIVORCED)	
СНАР	PTER 14	WILLS FOR UNM	IARRIED INDIVIDUALS	
			VED, DIVORCED)	14-1
14.1			sitive Summary of Wills Selected	14-1
14.2			Person with Adult Children	14-2.1
	14.2.1		positive Provisions	14-2.1
	14.2.2		se Wills	14-3
	14.2.3		quences	14-3
	14.2.4		ls for Unmarried Persons with	
				14-3
		*Form UM-1M:	Unmarried Male Testator with	
			Adult Children: Outright Gift	
			of Residuary Estate to Adult	
			Children	14-3
		Form UM-1F:	Corresponding Will to UM-1M	
			for Testatrix	
14.3	Wills for		with Minor Children	14-11
	14.3.1	Summary of Disp	ositive Provisions	14-11
	14.3.2		eparate Trusts for Children	14-11
	14.3.3		ot Trusts for Children	14-11
	14.3.4	When to Use These Wills		14-12
	14.3.5		quences	14-12
	14.3.6	-	ls for Unmarried Persons	
			ren	14-12
		Form UM-2M:	Unmarried Male Testator with	
			Minor Children: Gift of Residuary	
			Estate to Separate Trusts for	
			Children—Complete Distribution	
		F 17.65	at Age 30	
		Form UM-2F:	Corresponding Will to UM-2M	
		E ID 4 03 4 0	for Testatrix	
		Form UM-2M-3:	Unmarried Male Testator with Min	
			Children: Gift of Residuary Estate Separate Trusts for Children—Con	
			Separate trusts for Children—Con	nniete

			Distribution at Age 35; Distribution	at
			Three Ages	
		Form UM-2F-3:	Corresponding Will to UM-2M-3 for Testatrix	
		Form UM-3M:	Unmarried Male Testator with	
		TOITH CIVI-SIVI.	Minor Children: Gift of Residuary	
			Estate to Pot Trust until Youngest	
			Child Reaches 25	
		Form UM-3F:	Corresponding Will to UM-3M	
		101111 0111 011	for Testatrix	
		*Form UM-2/3:	Template Form for Unmarried	
		1 01111 0111 2 701	Testator with Minor Children with	
			Alternative Dispositive Methods	
			of Residuary Estate Clauses for	
			Separate Trusts and Pot Trust	14-13
14.4	Will for U	Inmarried Individua	als without Children	14-29
	14.4.1	Overview		14-29
	14.4.2		ositive Provisions	14-30
	14.4.3	When to Use The	se Wills	14-30
	14.4.4	Estate Tax Consec	quences	14-30
	14.4.5	Form Wills for U	nmarried Individuals without	
		Children		14-30
		*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)	14-31
		Form UM-4F:	Corresponding Will to UM-4M	
			for Testatrix	
		Form UM-4M-3:	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 Tru	
		E IDA 4E 2	under 35; Distribution at Three Age	es)
		Form UM-4F-3:	Corresponding Will to UM-4M-3 for Testatrix	
145	Dave Over	w Will to Davidachla		14-46
14.5	14.5.1		Trust	14-46
	14.5.1		oositive Provisions se Wills	14-46
	14.5.2		quences	14-40
	14.5.3		Will	14-47
	177		Will for Unmarried Male	17- 7 /
		1 omi Owi Sivi.	Testator Pour-Over Will—to	
			100000110010101111111111111111111111111	

			Revocable Trust Created	
			During Lifetime	14-47
		Form UM-5F:	Corresponding Will to UM-5M	
			for Unmarried Testatrix	
14.6	Wills for	Single Individual w	ith Generation-Skipping Trusts	14-55
	14.6.1			14-55
	14.6.2	Overall Summar	y of Dispositive Provisions	14-56
	14.6.3	Objective of GST	Γ Wills for Unmarrieds	14-56
	14.6.4		ry of Dispositive Provisions of	
		GST Trusts		14-57
	14.6.5	When to Use These Wills		
	14.6.6	Form Wills for U	Inmarried Individuals with	
		Generation-Skip	ping Trusts	14-58
		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	
		Form UM-6F:	Corresponding Will to UM-6M	
			for Testatrix	
		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	
		E 10.5E	Descendants, per Stirpes	
		Form UM-7F:	Corresponding Will to UM-7M	
		E INCOS	for Unmarried Testatrix	
		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	
		Form UM-8F:	Corresponding Will to UM-8M	
		TOTHI CIVI-OI.	for Unmarried Testatrix	
		*Form UM-6–8		
		Tomi Civi o	Unmarried Testator with Adult	
			Children: with Alternative	
			Dispositive Methods for Residuary	7
			Bequest—Division Between Exer	
			and Nonexempt Portions	-
	14.6.7	Key Action Sub	jects for Strategic Planning	
		I	PART VII	
	REVOCA		RUSTS AND POUR-OVER WILL	${}_{I}\mathbf{S}$
CHAF	PTER 15	STRATEGIC PL	ANNING WITH REVOCABLE	
		TRUSTS AS PRI	MARY TESTAMENTARY	
		INSTRUMENT.		15-1
15.1	Revocat	ole Trusts as Will S	ubstitutes: Advantages,	
	Disadva	ntages, and Practic	al Considerations	15-1
	15.1.1			15-1
	15.1.2		Advantages, and	
				15-1
			obate Avoidance	15-1
			tate and Income Taxes	15-3
			anning for Incapacity	15-3
			cillary Administration: Real	
			tate in More than One State	15-4.1
		_	tential for Will Contests	15-4.1
1.5.0	15.1.3	-		15-4.1
15.2			of Revocable Trust/Pour-Over	1.5.1.5
				15-4.2
	15.2.1		ets to Trust	15-4.2
	15.2.2			15-4.2
	15.2.3	-	visions During Life of Settlor	15.5
	1504			15-5
	15.2.4		N	15-5
	15.2.5		on Number	15-5
	15.2.6		ces of a Revocable Trust	15-5
			ft Taxes	15-5
			come Tax	15-5
		15.2.6.3 Es	tate Tax	15-5

	15.2.7	Pour-Over Will		15-6
15.3	Overall	Summary of Form	S	15-6
	*Form 1	5-1: Transfer to	Trust—Example Deed	15-7
	*Form 1		Child—Life Estate with	
		Powers—E	xample Deed	15-9
	*Form 1	5-3: Transfer to	Child—Life Estate without	
		Powers—E	xample Deed	15-11
СНАРТ	TED 16	DEVOCADI E T	RUSTS AND POUR-OVER	
CHAFI	EK 10		MARRIED INDIVIDUALS	16-1
16.1	Overall		s and Dispositive Summary	16-1
16.2			nd Pour-Over Will for Unmarried	10 1
	_		dren (RT-1 and PO-1)	16-2
	16.2.1		spositive Provisions of RT-1	16-2
	16.2.2		his Revocable Trust (RT-1)	16-3
	16.2.3		nd Estate Tax Consequences	16-3
	16.2.4			16-4
			Revocable Trust Agreement for	
			Unmarried Settlor—Outright	
			Disposition to Adult Children at	
			Death of Settlor	16-4
		*Form PO-1:	For Unmarried Testator/Testatrix:	
			Pour-Over Will—to	
			Accompany RT-1	16-14
16.3	Revocab	ole Trust and Pour-	Over Will for Unmarried	
	Individu	als without Childr	en (RT-2 and PO-2)	16-22
	16.3.1	Summary of Di	spositive Provisions of RT-2	16-22
	16.3.2	When to Use T	his Revocable Trust (RT-2)	16-22
	16.3.3	Income, Gift, a	nd Estate Tax Consequences	16-23
	16.3.4	Forms		16-24
		*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 (in Trust if under 30)	16-24
		*Form PO-2:	For Unmarried Testator/Testatrix:	
			Pour-Over Will—to	
			Accompany RT-2	16-37
16.4	Revocab	ole Trusts and Pour	-Over Wills for Unmarried	
	Individu	als with Children-	—with Generation-Skipping	
	Trusts (1		PO-3/4)	16-45
	16.4.1		spositive Provisions of RT-3	
				16-45
	16.4.2	Objective of GS	ST Provisions for Unmarrieds	16-46

16.4.3 16.4.4		Detailed Summary and Estate Tax Effects of Dispositive Provisions of GST-Exempt Trusts (after Settler's Death) under PT 3 and PT 4		
			10.4.4	
	16.4.5			16-48
	10.4.5	*Form RT-3:	Revocable Trust Agreement for	10-40
		Tomi KI-3.	Unmarried Individual with Adult	
			Children—with GST Trusts for	
			Children upon Death of Settlor.	16-48
		*Form RT-4:	Revocable Trust Agreement for	10 10
		101111111111	Unmarried Individual with Adult	
			Children—with Dynasty Trust for	
			Descendants for Maximum	
			Perpetuities Period if Any	16-62
		*Form PO-3/4:	For Unmarried Testator/Testatrix:	
			Pour-Over Will—to Accompany	
			RT-3 and RT-4	16-77
CHAP	TER 17		RUSTS AND POUR-OVER	
			RRIED COUPLES WITHOUT	
			COMBINED ESTATES NOT	15.1
17 1			FETIME EXEMPTION)	17-1
17.1 17.2			nsiderations	17-1 17-1
17.2			ovisions of RT-5	17-1
17.3			ax Consequences	17-2
17.4				17-2
17.5	*Form F		Simple Revocable Trust Agreement	17-3
	TOITI	XI-J.	for Married Settlor—Outright	
			Disposition to Spouse upon Death	
			of Settlor (to Children if Spouse	
			Does Not Survive)	17-3
	*Form P	2O-5-9:	For Married Testator/Testatrix:	1, 5
	1 01111 1		Pour-Over Will—to	
			Accompany RT-5–9	17-16
	*Form F	T-5-GL:	Revocable Trust for Same-Sex	
			Couple	17-23
CHAP			RUSTS AND POUR-OVER	
			REDIT SHELTER/BYPASS	
			MARRIED COUPLES ED ESTATES EXCEEDING	
			MPTION	18-1
18.1			edit Shelter/Bypass Trusts	18-1 18-1
10.1	Suategi	z rammig with Cit	an onencial ypass musis	10-1

18.2	Summary of Dispositive Provisions of RT-6	18-2	
18.3	Graphic Summary of Dispositive Provisions of Credit		
	Shelter/Bypass Trust under RT-6 and Estate Tax Effects	18-2	
18.4	Alternatives for Structuring Bypass Trust	18-3	
	18.4.1 Using a Bypass Trust with a Limited Power of		
	Appointment to Allow for Disclaimer	18-4	
18.5	When to Use Revocable Trust RT-6	18-4	
18.6	Income, Gift, and Estate Tax Consequences	18-5	
18.7	Forms	18-6	
	*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	18-16	
СНАР	TER 19 REVOCABLE TRUSTS AND POUR-OVER		
CIIAI	WILLS WITH MARITAL/QTIP TRUST IN		
	COMBINATION WITH CREDIT		
	SHELTER/BYPASS TRUST: THE "A-B"		
	TRUST STRUCTURE (COMBINED		
	ESTATES EXCEED LIFETIME		
	EXEMPTION)	19-1	
19.1	Strategic Planning with "A-B" Trust Structure	19-1	
19.1	Federal Tax Requirements of QTIP Trust	19-1	
19.2			
19.3	Graphic Summary of Dispositive Provisions of Credit	19-3	
17.4	Shelter/Bypass Trust under RT-7 and Estate Tax Effects	19-3	
19.5	When to Use Revocable Trust RT-7	19-3	
19.5		19-4	
19.0	Income, Gift, and Estate Tax Consequences Forms	19-3	
19.7	*Form RT-7: Revocable Trust Agreement for Married	19-0	
		10.6	
	Settlor—with Marital and Bypass Trusts *Form PO-5–9: For Married Testator/Testatrix: Pour-Over	19-6	
	Will—to Accompany RT-7	19-23	
	wiii—to Accompany K1-/	19-23	
СНАР	TER 20 REVOCABLE TRUST AND POUR-OVER		
	WILL FOR MARRIED COUPLE WITH		
	DISCLAIMER TRUST OPTION UPON		
	DEATH OF SETTLOR	20-1	
20.1	Strategic Planning with Disclaimer Trusts	20-1	
20.2	Summary of Dispositive Provisions of RT-8	20-2	
20.3	Graphic Summary of Dispositive Provisions of Disclaimer		
	Trust under RT-8 and Estate Tax Effects	20-2	
20.4	When to Use Revocable Trust RT-8	20-3	
20.5	Income, Gift, and Estate Tax Consequences	20-4	
20.6	Forms	20-4	

	*Form RT-8:	Revocable Trust Agreement for Married	
		Settlor—Outright to Spouse with Option for	
		Disclaimer Trust after Death of Settlor	20-5
	*Form PO-5–9:	For Married Testator/Testatrix: Pour-Over	
		Will—to Accompany RT-8	20-19
СНАР	ΓER 21 REVO	CABLE TRUST FOR MARRIED	
	SETTL	ORS WITH GENERATION-SKIPPING	
	TRUST	TS	21-1
21.1	Strategic Plannin	ng with Generation-Skipping Trusts:	
	Benefits and Use	e of GST Exemption	21-1
21.2	Three-Trust Stru	acture of Revocable Trust Agreement with	
	Generation Skip	ping Trust (RT-9)	21-2
	21.2.1 Strate	egic Objectives under RT-9	21-2
	21.2.2 The 7	Three Trusts	21-3
	21.2.	2.1 Residuary (Credit Shelter) Trust	21-3
	21.2.	2.2 Exempt and Nonexempt Marital	
		Trusts	21-3
21.3	The "Reverse Q"	TIP" Election	21-4
21.3A	Ramifications ar	nd Drafting Considerations in Light of	
	TRUIRJCA, EG	TRRA, TRA 2010 and ATRA 2012	21-6
21.4	Summary of Dis	spositive Provisions of RT-9	21-7
21.5	Graphic Summa	ry of Dispositive Provisions of Exempt	
	and Nonexempt	Generation-Skipping Trusts under RT-9	
		Effects	21-8
21.6	When to Use Re	vocable Trust RT-9	21-10
21.7	Forms		21-11
	*Form RT-9:	Revocable Trust Agreement for Married	
		Settlor—with Generation-Skipping Trusts.	21-11
	*Form PO-5–9:	For Married Testator/Testatrix: Pour-Over	
		Will—to Accompany RT-5–9	21-32
		2 2	
CED		PART VIII	TOTAL
51K	AIEGIC ESTAI	E PLANNING WITH IRREVOCABLE TRU)515
CHAP		OCABLE LIFE INSURANCE	
		TS (ILITS)	22-1
22.1		nce Trust—A Panacea, Indeed, for	
		ngs	22-1
22.2		Make Effective Uses of ILITs: Proper	
		es and Avoiding the 3-Year Rule	22-3
		Crummey Notice and the Annual	
		Exclusion	22-3
	22.2.2 The 3	3-Year Rule and Strategies for Avoidance	22-4

22.3	The 8-Step Procedure for Establishing and Maintaining				
	a Life Ins	surance Trust		22-5	
	*Form 22	2-1: Checklis	t for Establishing and		
			ning an ILIT	22-5	
22.4	Life Insu		ne Life—for Married Settlor	22-6	
	22.4.1				
			ith Generation-Skipping Trusts)	22-6	
	22.4.2		ary of Dispositive Provisions of	0	
	222		7-2 with Estate Tax Effects	22-7	
	22.4.3		·····	22-9	
	22.1.3	*Form ILIT-1:	Irrevocable Trust Agreement for	22)	
		TOIM ILIT-1.	Married Settlor—for Benefit of		
			Spouse and Children	22-9	
		Form H IT 1 1T	*	22-9	
		FOIIII ILI1-1-11	T: Irrevocable Trust Agreement for		
			Married Settlor—for Benefit of		
			Spouse and Children; Only One		
			Trustee Named		
		*Form ILIT-2:	Irrevocable Trust Agreement for		
			Married Settlor—with		
			Generation-Skipping Trusts to		
			Utilize GST Exemption	22-30	
		Form ILIT-2-1T	: Irrevocable Trust Agreement for		
			Married Settlor—with Generation-		
			Skipping Trusts to Utilize GST		
			Exemption; Only One Trustee		
			Named		
		*Form 22-2:	Crummey Notice Letter for Single		
			Life Policy—to Accompany ILIT-1		
			and ILIT-2	22-53	
22.5	Life Insu	rance Trust on On	ne Life—for Unmarried Settlor		
	with Children (e.g., Widowed, Divorced)			22-54	
	22.5.1 Purposes and Uses of ILIT-3 (Standard ILIT)				
			T with Generation-Skipping		
				22-54	
	22.5.2	,	ary of Dispositive Provisions of		
			7-4 with Estate Tax Effects	22-54	
	22.5.3	_		22-55	
	22.3.3		ILIT for Unmarried Settlor—for	22 33	
		Tomm ILIT 9.	Benefit of Children	22-56	
		Form II IT-3-17	: ILIT for Unmarried Settlor—for	22 30	
		1 OHH 1L11-J-11	Benefit of Children; Only One		
			Trustee Named		
		*Form ILIT-4:	ILIT for Unmarried Settlor—with		
		FOIIII ILI1-4:			
			Generation-Skipping Trusts to Utilize GST Exemption	22.74	
			Unitize GST Exemption	22-74	

		Form ILIT-4-1T: I	LIT for Unmarried Settlor—with	
			Generation-Skipping Trusts to	
			Utilize GST Exemption; Only One	
			Frustee Named	
			Crummey Notice Letter for Single	Life
			Policy—to Accompany ILIT-3	Bire
			and ILIT-4	
22.6	Life Inst		Lives (for Second-to-Die	
22.0				22-95
	22.6.1		ctical Uses of Second-to-Die	22 73
	22.0.1	-	ial Requirements	22-95
	22.6.2	_	=	22-93
	22.0.2		of Dispositive Provisions of	
			ILIT for Second-to-Die Policy)	
			for Second-to-Die Policy with	22.06
	22.62	* *	ing Trusts)	22-96
	22.6.3			22-97
		*Form ILIT-5:	ILIT for Second-to-Die Policy	22-97
		Form ILIT-5-1T:	ILIT for Second-to-Die Policy;	
			Only One Trustee Named	
		*Form ILIT-6:	ILIT for Second-to-Die Policy	
			with Generation-Skipping	
			Trusts	22-117
		Form ILIT-6-1T:	ILIT for Second-to-Die Policy	
			with Generation-Skipping Trusts	;
			Only One Trustee Named	
		*Form 22-3:	Sample Crummey Notice	
			Letter—to Accompany	
			Second-to-Die ILITs	22-140
			NORS	23-1
23.1			omparisons of Trusts	
			Section 529 Plans	23-1
	23.1.1		rs	23-1
	23.1.2	Section 529 Plans		23-2
23.2	Section 2	2503(c)—Minor's Tr	rusts	23-3
	23.2.1	Requirements		23-3
	23.2.2	Tax Issues		23-4
	23.2.3	Planning Consider	rations: Extending the	
		2503(c) Trust beyo	ond Age 21	23-4
	23.2.4		2503(c) Minor Trust	23-5
		*Form 23-1: S	Section 2503(c) Minor's Trust for	
			One Beneficiary Qualifying for	
			Annual Gift Tax Exclusion	23-5
23.3	Crumme			23-18
	23.3.1		Practical Uses	23-18

	23.3.2	Combining C	rummey Minor's Trusts with	
		-	kipping Tax Planning	23-18
	23.3.3		Dispositive Provisions of Forms	
		•	Minor's Trust	23-19
	23.3.4	•	ummey Minor's Trusts	23-21
		*Form 23-2:	Crummey Minor's Trust for One	
			Child with Withdrawal	
			Power—Distribution of	
			Principal to Child at Ages 25,	
			30, and 35	23-21
		*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	23-35
		*Form 23-4:	Crummey Minor's Trust for	23 30
		101111 25 1.	One Grandchild with Withdrawal	
			Power Qualifying for Annual	
			Exclusion from Gift Tax and	
			GST Tax—Distribution	
			of Principal to Grandchild at	
			Ages 25, 30, and 35	23-49
		*Form 23-5:	Crummey "Dynasty" Trust for	23-47
		TOIIII 25-5.	Descendants of Settlor for	
			Maximum Perpetuities Period	23-63
		*Form 23-6:	Crummey Notice—to Accompany	23-0.
		1701111 23-0.	Crummey Trusts	23-77
			Crummey Husts	23-11
СНАРТ			SUBCHAPTER S	
			• • • • • • • • • • • • • • • • • • • •	24- 1
24.1			chapter S Trusts	24-1
24.2		_	Trust ("QSST"): Requirements	
				24-1
24.3	The Electi	ng Small Busi	ness Trust ("ESBT"): Requirements	
				24-2
24.4			tained Annuity Trust ("GRAT")	
	to Hold S	Corporation St	tock	24-3
24.5				24-4
	*Form 24-	-1: Qualified	Subchapter S Trust—with	
			n-Skipping Provisions	24-4
	*Form 24-	-2: Sample Q	SST Election	24-19
	*Form 24-	-3: Electing S	Small Business Trust ("ESBT")	
			ndants of Settlor for Maximum	
		Perpetuiti	es Period	24-20

CHAPT	ER 25	RETAINED INTEREST TRUSTS: QPRTS	
		AND GRATS	25-1
25.1	Qualifi	ed Personal Residence Trusts	25-1
	25.1.1	Requirements and Practical Uses	25-1
	25.1.2	Illustrations and Computer Projections/	
		Presentation Charts	25-2
	25.1.3	Forms	25-3
		*Form 25-1: Qualified Personal Residence Trust	
		Agreement	25-4
		*Form 25-2: QPRT Calculations and Graphic	
		Illustration from Brentmark	
		Software	25-20
25.2	Granto	r Retained Annuity Trusts (GRATs)	25-22
	25.2.1	Requirements and Practical Uses	25-22
	25.2.2	Illustrations and Computer	
		Projections/Presentation Charts	25-23
	25.2.3	Forms	25-23
		*Form 25-3: Grantor Retained Annuity Trust	
		Agreement	25-26
		*Form 25-4: GRAT Calculations and Graphic	
		Illustration from Brentmark	
		Software	25-34
СНАРТ	ER 26	SPECIAL NEEDS TRUSTS	26-1
26.1		Planning for Children with Special Needs	26-1
20.1	26.1.1	Background for Planning	26-1
26.2		lity for Government Benefits	26-1
	26.2.1	Supplemental Security Income	26-2
	26.2.2	Medical Assistance	26-3
26.3		eed for Planning	26-3
26.4		l Needs Trusts	26-4
	26.4.1	Self-Settled Special Needs Trust	26-4
	26.4.2	Special Needs Trust Created by Others	26-5
		26.4.2.1 Trust for Special Needs Child	26-5
		*Form 26-1: Trust for Special	-00
		Needs Child	26-5
26.5	Tax Re	elief and the Child with Special Needs	26-7
26.6		he Special Needs Child Need a Guardian?	26-8
20.0	2003 11	the special riceds office riced a Guardian	20 0
		D. D. W.	
		PART IX	
		ALTERNATIVE DRAFTING FORMS	
СНАРТ	'FR 27	ALTERNATIVE DRAFTING FORMS	27-1
		Testamentary Trusts	27-1

27.1.1	Trust for Family	Residence (for E	Benefit of Surviving		
			Children)	27-1	
	*Form 27-1:	Trust of Family			
			Surviving Spouse		
		for Life, Remai			
		Children)		27-1	
27.1.2	Trust for Vacatio		nefit of Children)	27-2	
	*Form 27-2:		on Home (for Benefit		
	1 01111 2 / 21			27-2	
27.1.3	Trusts Primarily		f Descendants	27-3	
27.11.5	*Form 27-3:		s Educational Trust:	213	
	1 01111 27 3.		rds with Preference		
		for Education .		27-3	
	*Form 27-4:		Distribution Provisions	21-3	
	· FOIIII 27-4.			27-4	
	*F 27 5		Attend College	27-4	
	*Form 27-5:		lines for Trustee for	27.4	
	ΨE 07.54		osts	27-4	
	*Form 27-5A:		rustee Regarding		
		Education and			
	~ ~ ~	Gainful Employ		27-5	
27.1.4	Credit Shelter/B				
	Spouse Limited Power of Appointment of				
	Trust Remainde		• • • • • • • • • • • • • • • • • • • •	27-5	
	*Form 27-6:		Bypass Trust Giving		
			se Limited Power of		
		Appointment of	Trust Remainder .	27-6	
	27.1.4.1	Creation of Sep	arate Disclaimer		
		Trust (in Conjun	nction with a Bypass		
		Trust) to Hold I	Disclaimed Assets		
		Where a Power	of Appointment		
		Is Utilized		27-7	
		*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	27-7	
		*Form 27-6B:	Revocable Trust	∠1-1	
		· FOIIII 27-0B:			
			Provision Creating		
			Separate		
			Disclaimer Trust		

		(in Conjunction	
		with a Bypass	
		Trust) to Hold	
		Disclaimed Assets	
		where a Power of	
		Appointment	
		Is Utilized	27-8
27.1.5		stic Trust (QDOT)	27-8
		Qualified Domestic Trust	
		(QDOT)	27-9
27.1.6	QTIP Trust Prov	isions for Spouse in Nursing	
	Home		27-11
	*Form 27-8:	QTIP Trust Provisions for Spouse	
		in a Nursing Home	27-12
27.1.7	Generation-Skip	ping Trust—General Power of	
	Appointment upo	on Child's Death to Prevent	
	Imposition of GS	ST Tax	27-14
	*Form 27-9:	Generation-Skipping	
		Trust—Providing for General	
		Power of Appointment upon	
		Child's Death to Prevent	
		Imposition of GST Tax	27-15
27.1.8	Trust for Client's	Parents after Client's Death	27-16
	*Form 27-10:	Trust for Client's Parents after	
		Client's Death (Broad)	27-16
	*Form 27-11:	Narrow Form (Distribution to	
		Parents Only after Proper	
		Provision for Spouse	
		and Children)	27-17
27.1.9	Graduated Distri	bution of Net Income to Child	27-17
	*Form 27-11A:	Graduated Distribution of Net	
		Income to Child	27-17
27.1.10	Bypass Trust to S	Supplement Spouse's Other	
	• •	ouse's Family Trust Fund)	27-19
	*Form 27-11B:	Bypass Trust to Supplement	
		Spouse's Income if Spouse's	
		Family Trust Fund Does Not	
		Provide Adequate Support	
		(Objective Threshold)	27-19
27.1.11	Discretion of Tru	istee to Withhold Trust	_, _,
_,,,,,,,		Certain Adverse Circumstances	
		e.g., Drug Abuse, Marital	
		ling)	27-20
		Guidelines to Trustee on	0
	10111127 110.	Interest Regarding Education	

			and Premium on Gainful		
			Employment	27-20	
	27.1.12	Beneficiary's R	ights of Withdrawal at Specified		
		Ages Instead of	Mandatory Distributions of		
			neficiary at Specified Ages	27-21	
		*Form 27-11D:		•	
			Withdrawal at Specific Ages (25,		
			30 and 35), Mandatory Distribution	on	
			of Income; General Distribution		
			of Principal Per "Ascertainable		
			Standard"	27-21	
27.2	Special F	Provisions for Clos	sely Held Business Interest	27-22.1	
	27.2.1		usiness Power for Fiduciaries	27-22.1	
		*Form 27-12:	Broad Closely Held Business		
			Power for Fiduciaries	27-22.1	
	27.2.2	Right of First R	efusal	27-22.2	
		*Form 27-13:	Right of First Refusal for		
			Disposition of Corporate Stock	27-22.2	
		*Form 27-14:	Right of First Refusal for		
			Disposition of Interest in		
			Limited Liability Company	27-23	
	27.2.3	Compliance wit	th "Buy-Sell"	27-25	
			Compliance with "Buy-Sell"	27-25	
27.3	Dispositi		S	27-25	
	27.3.1	•		27-25	
			Cremation	27-25	
	27.3.2		ts	27-26	
		*Form 27-17:	Anatomical Gift: Statutory		
			Form (During Lifetime)	27-26	
		*Form 27-18:	Anatomical Gift: Confirmation		
			and Direction in Will	27-27	
27.4	Specific	Bequests		27-27	
	27.4.1 Specific Bequest of Tangible Personal Property				
		of Life Estate to	Spouse	27-27	
		*Form 27-19:	Specific Bequest of Tangible		
			Personal Property of Life Estate		
			to Spouse	27-28	
	27.4.2	Specific Beques	ts to Grandchild under Pennsylvania		
		Uniform Transf	ers to Minors Act	27-28	
		*Form 27-20:	Specific Bequests to		
			Grandchild under Pennsylvania		
			Uniform Transfers to		
			Minors Act	27-28	
	27.4.3	Gift to Survivin	g Spouse in Trust until Death or		
		Remarriage		27.20	

		*Form 27-21:	Gift to Surviving Spouse in Trust	27.20
	27.4.4	Specific Bequest	until Death or Remarriage of Tangible Personal Property:	27-29
				27-29
		*Form 27-21A:	Specific Bequest of Tangible	
			Personal Property: Division	
			by Lot	27-29
	27.4.5	Cash Gifts to Ind	lividual Beneficiaries	27-30
		*Form 27-21B:	Cash Gifts to Individual	
			Beneficiaries—Contingent	
			upon Survival	27-30
		*Form 27-21C:	Cash Gifts to Individual	
			Beneficiaries with Gift Over if	
			Named Beneficiary Fails	
			to Survive	27-30
	27.4.6	Cash Gifts to Ch	arities	27-31
		*Form 27-21D:	Cash Gifts to Charity with	
			Suggested Allocation of	
			Gift	27-31
		*Form 27-21E:	Cash Gift to Charity—Limited	
			by a Percentage of Estate	27-31
	27.4.7	Specific Bequest	of Stock	27-32
		*Form 27-21F:	Specific Bequest of Stock—No	
			Contingent Beneficiaries	27-32
		*Form 27-21G:	Specific Bequest of	
			Stock—Contingent	
			Beneficiaries	27-32
	27.4.8	Outright Bequest	of Residuary Estate to More	
		Than One Legate	ee in Equal Shares	27-32
		*Form 27-21H:	Outright Bequest of Residuary	
			Estate to More Than One Legatee	
			in Equal Shares	27-33
	27.4.9	Transferring Prop	perty Subject to Mortgage	27-33
		*Form 27-21I:	Direction to Personal	
			Representative to Pay Mortgage	
			from Estate	27-33
		*Form 27-21J:	Authorization to Pay Off	
			Mortgage	27-34
27.5	Special Pr	ovisions Where E	state Consists of Stock in	
	Subchapte	er S Corporation .		27-34
	27.5.1	Subchapter S Pro	ovisions	27-34
		*Form 27-22:	Subchapter S Provisions	27-35
27.6	Miscellan			27-36
	27.6.1	Specific Exercise	e of Testamentary Power of	
		Appointment		27-36

	*Form 27-23:	Specific Exercise of Testamentary	
		Power of Appointment	27-36
27.6.2	Forgiveness of D	ebt at Death	27-37
	*Form 27-24:	Forgiveness of Debt at Death	
		(Unrecorded Debt)	27-37
	*Form 27-25:	Forgiveness of Debt at Death	
		(Recorded Mortgage)	27-37
27.6.3	Catch-All/Ultima	te Beneficiary—to Various	
			27-38
		Catch-All/Ultimate Beneficiary—	
		to Various Charities	27-38
27.6.4	Marital Deductio	n Equalization Clause	27-39
	*Form 27-27:	Marital Deduction Equalization	_, _,
	101111 27 27.	Clause	27-39
27.6.5	Omittal of Spous	e—Second Marriage	27-39
27.0.5	*Form 27-28:	Omittal—Spouse from Second	21 37
	1 01 m 27 20.	Marriage	27-40
27.6.6	Omittal Due to R	eligious Affiliation or Joining	27 40
27.0.0			27-40
	*Form 27-29:	Omittal—Due to Religious	27-40
	101111 27-29.	Affiliation	27-40
	*Form 27-30:	Omittal—Due to Joining of	27-40
	TOIIII 27-30.	Cult	27-40
27.6.7	Paguest for Use	of Specific Investment Advisor	27-40
27.0.7	*Form 27-31:	Request for Use of Specific	27-41
	FOIIII 27-31.	Investment Advisor	27 41
27.6.8	Dequest for Hea		27-41
27.0.8		of Specific Attorney to Estate Administration	27 41
			27-41
	*Form 27-32:	Request for Use of Specific	
		Attorney to Handle/Advise	27.42
27.60	I T D	Estate Administration	27-42
27.6.9		vision	27-42
	*Form 27-33:	In Terrorem Provision	27-42
	*Form 27-33A:	Omittal with Broad in Terrorem	27.42
27 (10	D G	Provisions	27-43
27.6.10		ically Naming Children in Will	27-44
	*Form 27-34:		25.44
		Children in Will	27-44
	*Form 27-34A:	Provision Specifically Referencing	
		Children of a Prior Marriage;	
		No Children from Current	
		Marriage	27-44
	*Form 27-34B:	Provision Specifically Referencing	
		Children of Current Marriage	
		and Prior Marriage	27-45

	27.6.11	Alternative Tax Clause—Apportionment for					
		Nonprobate Pro	perty	27-45			
		*Form 27-35:	Alternative Tax				
			Clause—Apportionment for				
			Nonprobate Property	27-45			
	27.6.12	Alternative Tax	Clause—Exclusion of Certain				
				27-46			
		*Form 27-36:	Alternative Tax Clause—				
			Exclusion of Certain Taxes	27-46			
	27.6.13	Alternative Tax	Clauses—Full Apportionment				
			ortionment	27-47			
		*Form 27-36A:					
			Clause—Apportionment for				
			all Property under Pennsylvania				
			Apportionment Statute				
			(Unmarried Testator)	27-47			
		*Form 27-36B:	Alternative Tax Clause for				
		101111 27 0021	Probate Property, Property				
			under Revocable Trusts, and				
			Other Property (Unmarried				
			Testator)	27-47			
27.7	Provision	Provisions Dealing with Trustees					
	27.7.1		Trustee	27-48 27-48			
	_,,,,,	*Form 27-37:	Trustees to Serve without				
			Compensation	27-49			
		*Form 27-38:	Trustees to Receive				
			Reasonable Compensation;				
			Published Fee Schedule				
			for Corporate Trustee	27-49			
		*Form 27-39:	Fee Based upon Statutory				
			Commissions	27-49			
		*Form 27-40:	Fee Schedule for Corporate				
			Trustee; Aggregation of				
			Trusts to Determine Fee	27-50			
	27.7.2	Final Succession	of Trustees	27-50			
		*Form 27-41:	Corporate Trustee as Final				
			Successor	27-50			
		*Form 27-42:	Named Trustees Designate				
			Successor	27-50			
		*Form 27-42A:	Provision for Successive Trustees/				
			Remaining Trustee to Designate				
			Successor/Corporate				
			Trustee as Ultimate				
			(Comprehensive Clause)	27-51			
	27.7.3	Resignation and A	Appointment of Trustees	27-51			
		J	± ±				

	*For	m 27-43:	Resignation of Trustee	27-52	
	*For	m 27-44:	Designation of Co-Trustee		
			by Settlor under Revocable		
			Trust Agreement	27-53	
	*For	m 27-45:	Designation of Co-Trustee		
			by Remaining Trustee		
			under Irrevocable Trust		
			Agreement following		
			Resignation of Trustee	27-54	
	*For	m 27-46:	Acceptance by Newly		
			Appointed Trustee under		
			Revocable Trust Agreement	27-55	
	*For	m 27-47:	Acceptance by Newly		
			Appointed Trustee under		
			Irrevocable Trust		
			Agreement	27-56	
	27.7.4 Char	nges in Trus	st Situs	27-57	
	*For	m 27-47A:	Changes in Trust Situs	27-57	
27.8	Amendments ar	nd Restatem	ents to Revocable Trust		
	Agreements				
	*Form 27-48:	Amendmen	t to Revocable Trust		
		Agreement		27-58	
	*Form 27-49:	Amendmer	nt and Restatement of Revocable		
		Trust Agree	ement	27-60	
27.9	Common Law I	Rule against	Perpetuities	27-62 27-63	
27.10	Special Trustee Powers for Survivorship Life Insurance Trust				
	*Form 27-52:	Provision	Authorizing Trustees to Sell		
			e Policy to Children	27-63	
	*Form 27-53:		al Provision Regarding Use of		
			Proceeds	27-63	
27.11	Additional Prov	ision for Pe	rsonal Representatives after		
	EGTRRA			27-64	
	*Form 27-54:		ation to Personal Representative		
		to Alloca	te Basis to Specific Assets—with		
			ion Provision	27-64	
27.12	"Cap" in Light				
		are		27-64	
	*Form 27-55:	_	mit Size of Non-Marital		
				27-65	
27.13	_		idance to Guardians of Minor		
				27-66	
	*Form 27-56:		That Guardians Allow Visitation by		
			rents	27-66	
	*Form 27-57:	-	That Children Be Raised in Orthodox		
		Lewish Tr	adition—Rabbi to Re Consulted	27-66	

	*Form 27-58:	Request to Preserve Relationship between	
		Children and Both Families	27-67
27.14		and Formula Clauses in Light of	
		Estate Tax	27-67
27.15	_	ons when Retirement Benefits Are Payable	
	_	IP Trust	27-67
	*Form 27-59A:		
		Trust Is Designated as Beneficiary of	
		Retirement Plan	27-68
	*Form 27-59B:	Form for Inclusion in Fiduciary Power	
		Section Dealing with Retirement Benefits	
	_	Payable to Trusts	27-68
27.16		Seneficiary Designation Forms to Accommodate	
	-	anning with Trusts	27-69
	*Form 27-60A:	, .	
		Form: Disclaimed Assets to Disclaimer Trust	
		under Will of Participant, with Provisions for	
		Children's/Descendants' Share to Trust	
		Created under Will of Participant	27-70
	*Form 27-60B:	Attachment to IRA Beneficiary Designation	
		Form: Disclaimed Assets to Trustees under	
		Will of Participant, with Provisions	
		for Children's/Descendants' Share	
		to Trust Created under Will of Participant	27-73
	*Form 27-60C:	Attachment to IRA Beneficiary Designation	
		Form: Disclaimed Assets to Family Trust/Bypa	ISS
		Trust/Credit Shelter Trust under Will of	
		Participant, with Provisions for Children's/	
		Descendants' Share to Trust Created under	
		Will of Participant	27-76
27.17			27-79
	*Form 27-61:	Pet Trust	27-79
		PART X	
S	TIMMA DIES OI	FART A F SELECT ESTATE PLANNING PRACTICE	,
3		AREAS AND STRATEGIES	•
		AREAS AND STRATEGIES	
СНАРТ	TER 28 SELEC	CT ESTATE PLANNING SUMMARIES:	
	PENNS	SYLVANIA AND FEDERAL LAW	28-1
28.1	The Pennsylvan	ia Law of Intestacy and Necessity	
			28-1
		erview	28-1
		eration of Intestacy Law—Share of	
		rviving Spouse and Others	28-1

	28.1.3	Necessity of Will and Dangers of Dying	
		Intestate	28-2
	28.1.4	Necessity of Will Even with Other Forms of	
		Testamentary Disposition	28-5
		Figure 28-1: Graphic Depiction of Pennsylvania	
		Intestacy Law	28-6
28.2	Organiza	tional Checklist of Will: Comments and Strategic	
	-	Pointers	28-6
	28.2.1	Preamble/Exordium Clause (Introductory	
		Paragraph)	28-7
	28.2.2	Definitions and Appointment of Fiduciary	
		(Section 1)	28-8
	28.2.3	Funeral Arrangements (Section 2)	28-9
	28.2.4	Debts (Section 3)	28-9
	28.2.5	Specific Bequests; Disposition of Tangible	20)
	20.2.5	Personal Property (Section 4); Principal Residence	
		(Section 5)	28-10
	28.2.6	Payment of Taxes (Section 6)	28-11
	28.2.7	Residuary Estate (Section 8)	28-12
	28.2.8	Dispositive Provisions (Other than Specific	20 12
	20.2.0	Bequests) (Sections 7 and 9)	28-13
	28.2.9	The "Catastrophic"/"Catch-All" Provision	20-13
	20.2.7	(Section 10)	28-13
	28.2.10	Fiduciary Powers/Administrative Provisions	20-13
	20.2.10	Re: Trustees and Personal Representatives	
		(Section 11 for Trustees and Section 13 for	
		Personal Representatives)	28-13
	28.2.11	Insurance or Pension Plan (Section 12)	28-13
	28.2.11	Spendthrift and Facility of Payment Provisions	20-14
	20.2.12	(Section 14)	28-15
	28.2.13	Survivorship/Simultaneous Death (Section 15)	28-15
	28.2.14	Rule against Perpetuities (Section 16)	28-15
		Gender (Section 17)	28-16
	28.2.15		
	28.2.16	Headings (Section 18)	28-16
	28.2.17	Signature and Attestation Clauses (Final	20.16
20.2	The Trees	Paragraphs)	28-16
28.3		sfer Tax System under EGTRRA, TRA 2010 and	20 17
		D12	28-17
	28.3.1	The Basics and the State of Affairs before	20 17
	20.2.2	EGTRRA	28-17
	28.3.2	EGTRRA: Highlights and Summary	20.10
	20.2.2	(before TRA 2010 and ATRA 2012)	28-19
	28.3.3	Summary Chart: Estate Gift, and GST Tax	
		Changes under EGTRRA (before TRA 2010 and ATRA 2012)	28 21
		ana A I R A - / / / / / / / / / / / / / / / / / /	/X_//

28.3.4	TRA 2010 (for 2010, 2011 and 2012): Highlights					
	and Sumn	nary		28-22		
	28.3.4.1		r-End Surprise	28-22		
	28.3.4.2	Estate Tax.		28-23		
	28.3.4.3		Skipping Transfer			
				28-23		
	28.3.4.4			28-24		
	28.3.4.5			28-24		
	28.3.4.6		2010	28-25		
			In General	28-25		
		28.3.4.6.2	Making the Decisions	28-25		
		28.3.4.6.3	Forms and Filing	_0 _0		
		20.5.1.0.5	Deadlines	28-25		
		28.3.4.7	Chart Summarizing	20 23		
		20.3.4.7	Changes in TRA 2010	28-25		
28.3.5	ATD A 201	12. Uighlighte	and Summary	28-26		
26.3.3	28.3.5.1		's Day 2013 Surprise	28-26		
			•	20-20		
	28.3.5.2 Permanent Estate, Gift and Generation- Skipping Tax (GST) Exemptions of					
			· · · · · · · · · · · · · · · · · · ·	20.26		
			(with Indexing)	28-26		
	2		12 Exemptions: Unified and	20.26		
			manent	28-26		
	2		mment on Significance and			
			ects	28-27		
		28.3.5.2.2.1	No Sunset of \$1 Million			
			and Predictability	28-27		
		28.3.5.2.2.2	No Concern about			
			"Clawback"	28-27		
	28.3.5.3	Increase in '	Tax Rates	28-27		
	28.3.5.4	Portability i	s Made Permanent	28-28		
		28.3.5.4.1	Basic Concept Re:			
			Utilizing Spouse's Unused			
			Exemption Amount	28-28		
		28.3.5.4.2	Electing Portability	28-28		
		28.3.5.4.3	Effective Dates	28-29		
		28.3.5.4.4	The Last Deceased			
			Spouse Requirement	28-29		
	28.3.5.5	Chart Sumn	narizing Federal Estate			
			T Changes under ATRA 201	2		
			nd Subsequent Years)	28-30		
28.3.6	The New 1		lanning After ATRA 2012	28-30		
	28.3.6.1		TRA 2012 on Forms			
			a Clauses Due to Increased			
			Federal Estate Tax			
				28-30		
		Latinpuon		-0 00		

		28.3.6.2	Portability	vs. Bypass/Credit Shelter T	rusts:
				Consider in Planning	28-32.1
		28.3.6.3	Selection o	f Forms and Strategies	
				nd Revocable Trusts to	
			Integrate Is	sues with Formula	
				d Portability	28-32.5
			28.3.6.3.1	Portability as a Game	
				Changer but Still Need	
				Credit Shelter Trusts	28-32.5
			28.3.6.3.2	Portability in Tandem wit	h
				Credit Shelter Trusts	28-32.5
			28.3.6.3.3	Drafting Alternatives after	r
				ATRA 2012	28-32.5
28.3A	The Tax	Cuts and Job	s Creation Ac	t	28-32.9
	28.3A.1	A 10-Year	Doubling of	Transfer Tax Exemptions .	28-32.9
28.4	Generati	on-Skipping	Transfer Tax-	-with ATRA	
	Modifica	ations			28-32.9
	28.4.1	Purpose .			28-32.9
	28.4.2	Mechanics	and Applicat	ion	28-32.9
	28.4.3	Transfers S	Subject to GS	Г Тах	28-33
	28.4.4	Transfers l	Exempt from (GST Tax	28-34
	28.4.5	Computing	g GST Tax		28-34.1
	28.4.6	Administra	ation and Retu	rn Requirements	28-34.1
28.5				planation and Examples	28-35
28.6			•	pass Trusts—Some	
					28-38
28.7				ylvania	28-38
	28.7.1				28-38
28.8				e	28-39
	28.8.1			d the Marital Deduction	28-39
	28.8.2				28-40
		28.8.2.1		icies	28-40
		28.8.2.2		urvivor Annuities	28-41
	28.8.3				28-41
	28.8.4	_		Trust (QDOT)	28-42
		28.8.4.1		n	28-42
		28.8.4.2		ing Features of a QDOT	28-44
		28.8.4.3		nts for QDOTs under the	• • • • •
				egulations	28-44
			28.8.4.3.1	Ordinary Trust	28-44
			28.8.4.3.2	Governing Law	28-44
			28.8.4.3.3	U.S. Trustee	28-45
			28.8.4.3.4	Right to Withhold Tax	28-45
			28.8.4.3.5	Qualified Marital	20.45
				Interest Requirements	28-45

		28.8.4.3.5.1 Property Passing to	
		QDOT	28-45
		28.8.4.3.5.2 Property Passing	
		Outright to Spouse .	28-45
		28.8.4.3.6 Security and Other	
		Arrangements for	
		Payment of Tax—QDOTs	
		with Assets over	
		\$2 Million	28-46
		28.8.4.3.6.1 Bank Trustee	28-46
		28.8.4.3.6.2 Bond	28-46
		28.8.4.3.6.3 Letter of Credit	28-46
		28.8.4.3.6.4 Additional Governing	
		Instrument	
		Requirements for	
		Bond or Letter-	
		of-Credit	
		Arrangements	28-47
		28.8.4.3.7 Security and Other	
		Arrangements for	
		Payment of Tax—QDOTs	
		with Assets of	
		\$2 Million or Less	28-47
		28.8.4.3.7.1 Multiple QDOTs	28-48
		28.8.4.3.7.2 Look-Through	
		Rules	28-48
		28.8.4.3.7.3 Fluctuations in	
		Value	28-48
		28.8.4.3.7.4 Principal Residence	
		and Related Personal	
		Effects	28-48
	28.8.5	Use of the Bypass Trust for Surviving	
		Non-Citizen Spouse	28-49
28.9		ssing Outside the Will (Nonprobate Assets) by	
	Operation	of Law	28-49
	28.9.1	Jointly Owned Property	28-50
		28.9.1.1 Tenancy-in-Common	28-50
		28.9.1.2 Joint Tenancy with Right of	
		Survivorship	28-50
		28.9.1.2.1 Federal Estate Tax	28-51
		28.9.1.2.2 Pennsylvania	
		Inheritance Tax	28-51
		28.9.1.3 Tenancy by the Entirety	28-51
	28.9.2	Bank Accounts in Pennsylvania	28-52
	28.9.3	Community Property	28-52

PENNSYLVANIA ESTATE PLANNING, WILLS AND TRUSTS LIBRARY

28.10	28.9.4 28.9.5 Proper Wi	Qualified Re	ceetirement Plan Assets	28-52 28-53		
	Revocation, and Amendment: Technical Requirements					
	and Practi	cal Considerati	ions	28-53		
	28.10.1	Requiremen *Form 28-1	ts of Will Execution: : Instruction Sheet for Client Where Attorney Does Not Supervise	28-53		
			Execution of Will	28-55		
	28.10.2	Who May E	xecute a Will and Codicil	28-56		
	28.10.3	Testamentar	y Capacity	28-56		
		28.10.3.1 28.10.3.2	The Pennsylvania Standard Special Circumstances Affecting	28-56		
			Testamentary Capacity	28-56		
			Fraud	28-56		
	28.10.4	Proper Will	Revocation and Amendment	28-57		
	20.10.4	28.10.4.1	Proper Will Revocation—Statement	20 37		
			of Revocation or Obliteration	28-57		
		28.10.4.2	Proper Will Amendment—the			
			Codicil	28-58		
			Requirements	28-58		
			*Form 28-2: Sample Codicil .	28-59		
	28.10.5	Other Impor	Other Important Considerations for Wills under			
		Pennsylvani	a Law	28-61		
		28.10.5.1	Holographic Wills Wills Executed Outside of	28-61		
		28.10.5.2		20 61		
		29 10 5 2	Pennsylvania	28-61 28-61		
28.11	Estate Tax	28.10.5.3 Deduction for	Dating and Initialing the Will Qualified Family-Owned	28-01		
20111				28-62		
28.12		The Pennsylvania Inheritance Tax				
	28.12.1		the Application of the	28-62		
			a Inheritance Tax	28-62		
	28.12.2		ty	28-64		
	28.12.3		Plans	28-64.1		
	28.12.4	Future Intere	ests	28-65		
	28.12.5	Exemption f	For Real Estate Used in Agriculture.	28-66		
		28.12.5.1	Exemption for Farmland,			
			Commodities, Easements and	20		
	20.42.5		Reserves	28-66.1		
	28.12.6		For Small Business	28-66.2		
		28.12.6.1	Losing the Exception	28-66.3		

	28.12.7	Valuation of I	Mineral Rights	s and Natural			
		Gas Interests			28-66.3		
		28.12.7.1	Inheritance 7	Tax Bulletin 2012-01,			
			Issued July 1	0, 2012, Clarifies the			
				of Revenue's Policy			
				the Taxation and			
				Mineral Rights and			
				•	28-66.3		
		28.12.7.2		o Sale or Appraisal	28-66.4		
	28.12.8		of Federal Esta				
		•			28-66.4		
		28.12.8.1		ce	28-66.4		
		28.12.8.2		Plans and IRAs	28-68		
		28.12.8.3	When Are Li		20 00		
		20.12.0.3		eath Taxes?	28-69		
		28.12.8.4	When Must		20 0)		
		20.12.0.4		Death Taxes? The			
				Use Trust	28-71		
		28.12.8.5		ty	28-73		
28.13	The Rener		_	=	28-73		
28.14		The Repealed Pennsylvania Estate Tax Estate Planning Issues for Same-Sex Couples in Pennsylvania					
20.14	28.14.1	_		· · · · · · · · · · · · · · · · · · ·	28-76 28-76		
	26.14.1	28.14.1.1		r Decision	28-76		
		28.14.1.2		ling 2013-17 Clarifies	20-70		
		20.14.1.2		=	28-77		
	28.14.2	Ectota Dianni	Application of <i>Windsor</i> Estate Planning Implications of Same-Sex				
	26.14.2				28-77		
		28.14.2.1			20-11		
		20.14.2.1	-	a Estate Planning	20 70		
			-	Dannardrania	28-78		
			28.14.2.1.1	Pennsylvania	20.70		
			20 14 2 1 2	Inheritance Tax	28-78		
			28.14.2.1.2	Realty Transfer Tax	28-78		
			28.14.2.1.3	Elective Share	28-79		
			28.14.2.1.4	Intestate Distribution			
				and Preferences as			
				Personal	20.70		
			20.11.2.1.5	Representative	28-79		
			28.14.2.1.5	Federal Marital			
				Deduction			
				Opportunities	28-79		
			28.14.2.1.6	Use of Tenancy by the	e		
				Entireties Plan with			
				Disclaimer Planning	28-80		
			28.14.2.1.7	Fiduciary and Trust			
				Construction Issues	28-80		

		28.14.2.2	Federal Esta	te Planning		
					28-81	
			28.14.2.2.1	Unlimited Marital		
				Deduction for Gift		
				and Estate Tax	28-81	
			28.14.2.2.2	Gift Splitting	28-81	
			28.14.2.2.3	Portability	28-81	
			28.14.2.2.4	Rollover Rights on	20 01	
			20.1 1.2.2.1	Spouse's IRA	28-82	
	28.14.3	References '	Throughout Bo	ok	28-82	
CHAP	TER 29 SE	LECTED PL	ANNING STR	ATEGIES		
	Al	ND TECHNIQ	UES		29-1	
29.1	Use of 5 d	& 5 Powers in T	Γrusts		29-1	
29.2	Flexible I	Estate Planning	with Limited P	Powers of		
	Appointm	ent			29-2	
29.3	Trusts for	Children—Pot	Trusts vs. Sepa	arate Trusts	29-3	
29.4	The Pitfal	l of Joint Own	ership by Spous	ses and Solutions	29-4	
	29.4.1			ion of Tenants by		
		the Entirety	Protection		29-5	
	29.4.2	Disclaiming	Joint Property		29-6	
29.5	Selection of Personal Representatives, Trustees, and					
	Guardians	s: Strategies and	d Recommenda	ations	29-6	
	29.5.1	Personal Re	presentatives (H	Executors)	29-6	
	29.5.2	Trustees			29-8	
		29.5.2.1	Succession, R	emoval, and		
			Replacement	of Trustees—Tax		
			Aspects		29-9	
	29.5.3	Guardians .			29-9	
29.6	Use of Di			iary Designations	29-10	
	29.6.1	RESERVED	—Naming a Ti	rust as Beneficiary of		
		Retirement l	Plan Benefits		29-11	
29.7					29-11	
29.8				T) Trust	29-11	
29.9	Outright I	Marital Beques	t vs. Trust for S	pouse: Planning		
	Considera	itions			29-12	
29.10	Revised P	lanning for Su	rviving Spouse	after Death of		
	First Spou	ise			29-13	
	29.10.1			TIP Trust/Prenuptial		
		-			29-13	
	29.10.2				29-13	
	29.10.3		rust—Tax Trap			
					29-14	
	29.10.4			ts: Strategic Use		
		During Life	time of Survivi	ng Spouse	29-15	

29.11	The Credit Shelter/Bypass Trust: Rights and Protections				
	Available to Surviving Spouse and Asset Protection				
	Conside	rations		29-16	
	29.11.1	Rights of Su	rviving Spouse in Credit		
		Shelter Trus	st	29-16	
	29.11.2	Selecting th	e Appropriate Allocation of Income		
		_	al among the Spouse and		
			es	29-17	
	29.11.3		Credit Shelter/Bypass Trust as		
			ction Trust	29-18	
29.12	Strategie		the Payment of Estate Taxes on		
			atutory Elections by Executors	29-18	
	29.12.1	•	2A Special Use Valuation for		
				29-19	
	29.12.2		Redemption to Pay Estate		
			Administration Expenses	29-20	
	29.12.3		6 Deferral of Estate Taxes for		
			d Businesses	29-21	
		,			
			PART XI		
		POWER	S OF ATTORNEY		
CHAPT	TER 30 I	OURABLE POV	VERS OF ATTORNEY FOR		
	F	INANCIAL M	ATTERS	30-1	
30.1	The Dura	ble Power of Att	orney—A Critical Document	30-1	
30.2			er	30-1	
30.3	Fundamental Issues in Preparing a Durable General Power				
	of Attorney				
			e of Power	30-2	
			f the Attorney-in-Fact	30-3	
	C		owers	30-3	
	Č		opments	30-3	
		*Form 30-1:	Principal General Power of		
			Attorney	30-5	
		*Form 30-2:	Durable General Power of		
			Attorney—Effective upon		
			Disability	30-15	
		*Form 30-3:	Limited Power of Attorney	00 10	
		1 01111 0 0 0.	(for Handling Real Estate		
			Settlement)	30-18	
		*Form 30-4:	Durable General Power of	50 10	
		101111 50 F.	Attorney—for a Specified Time		
			Period	30-20	
		*Form 30-5:	Grant to Two Attorneys-in-Fact	20 20	
		1 01111 30 J.	Acting Jointly or Severally	30-24.7	
			realing somery of beverally	JU 27.1	

	*Forn	1 30-6:	Grant to Two Attorneys-in-Fact	
			Acting Jointly (Not Severally) .	30-24.7
	*Forn	n 30-7:	Broad Gift-Giving Power With	
			Power to Disclaim	30-24.7
	*Forn	n 30-8:	Gifts to Children and Grandchildren	
			Limited Annually to \$15,000 plus	
			Tuition and Medical Costs	30-25
	*Forn	n 30-9:	Gifts to Children and	20 20
	1 011		Grandchildren Consistent	
			with Past Gifts	30-25
	*Forn	n 30-10:	Broad Gift-Giving Power with	30 23
	1011	150 10.	Power to Disclaim; Gifts to	
			Attorney-in-Fact Limited to	
			"5 & 5" Power to Avoid General	
			Power of Appointment	30-25
	*Form	n 30-11:	Escrow Agreement for Durable	30 23
	10111	1 50-11.	Power of Attorney	30-26
	*Forn	n 30-12:	Affidavit as to Power of	30-20
	TOIL	1 30-12.	Attorney Being in Full Force	30-27
	*Forn	n 30-13:	POA Power to Pay Charitable	30-27
	TOIL	130-13.	Pledges	30-28
	*Forn	n 30-14:	Deed Signature Page When Using	30-20
	· FOIII	1 30-14.	a POA	30-28
			a 10A	30-20
CHAP	TER 31 HEALT	H CARE	E POWERS OF ATTORNEY	
	AND AI	VANCE	DIRECTIVES	31-1
31.1	General			31-1
31.2	Health Care Power	ers of Att	orney	31-1
31.3	Advance Directiv	e/Living	Will	31-2
31.4	Mental Health Po	wer of A	ttorney	31-2.1
	31.4.1 Expla	natory M	laterial	31-2.1
	31.4.1	.1 R	evocation and Amendments	31-2.2
	31.4.1	.2 To	ermination	31-2.2
	31.4.1	.3 Ti	reatment Preferences	31-2.2
	31.4.1	.4 D	esignation of an Agent or	
			Iternative Agent	31-2.3
31.5	Standby Guardian	nship		31-2.3
	31.5.1 Expla	natory M	laterial	31-2.3
	31.5.1	.1 Pa	arental Rights and	
		R	estored Capacity	31-2.4
	31.5.1		evocation	31-2.4
	*Form 31-1:		ll Power of Attorney	31-3
	*Form 31-1A:		ll Power of Attorney with Three	
			ites	31-9
	*Form 31-2:		llachic Living Will	31-11
	*Form 31-3:		Health Power of Attorney	31-17
	*Form 31-4:		y Guardianship Form	31-23

PART XII CHARITABLE GIFT PLANNING

СНАРТ	ER 32 C	HARITABLE	GIFT PLANNI	NG	32-1
32.1	Closely He	eld Corporate C	Charitable Contri	butions	32-1
	32.1.1 Constructive Dividends				32-1
	32.1.2	Redemption of Charitable Gifts of Business			
					32-2
32.2	Individual				32-4
	32.2.1 Lifetime Gifts				32-4
		32.2.1.1		duction Limits	32-4
		32.2.1.2	Unlimited Gift	and Estate Tax	
			Deduction		32-5
32.3	Split-Interest Gifts and Bequests				
	32.3.1				32-6
	32.3.2		ts of the Charital		
					32-8
		32.3.2.1		visions	32-11
		32.3.2.2	•	sions	32-12
				Irrevocable Trust	
				Agreement	
				(Charitable	
				Remainder	
			,	Unitrust)	32-14
	32.3.3	Unique Aspects of the Charitable Remainder			
					32-22
		32.3.3.1	Mandatory Pro	visions	32-23
		32.3.3.2 Optional Provisions			
			*Form 32-2:	Irrevocable Trust	
				Agreement	
				(Charitable Remaind	er
				Annuity Trust (CRA	Γ))
				with Husband and	
				Wife as Donors and	
				Annuitants	32-25
			*Form 32-2A:	Irrevocable Trust	
				Agreement (Charitab	le
				Remainder Annuity	
				Trust (CRAT)) with	
				Daughter as Donor	
				and Parents as	
				Annuitants	32-34
	32.3.4				32-34.8
		32.3.4.1		luction	32-34.8
		32.3.4.2	Substantiation a	nd Disclosure	32-35

PENNSYLVANIA ESTATE PLANNING, WILLS AND TRUSTS LIBRARY

		32.3.4.3	Capital Gains	32-35
		32.3.4.4	Gift Tax	32-35
		32.3.4.5	Estate Tax	32-36
		32.3.4.6	Generation-Skipping Transfer	
			Tax	32-36
	32.3.5	Taxation of	f the Trust	32-36
		32.3.5.1	Reporting Requirements	
			for a CRT	32-37
	32.3.6	Taxation of	f the Non-Charitable Beneficiary	32-37
	32.3.7	Prohibited	Transactions Rules	32-39
	32.3.8	Planning C	onsiderations	32-39
		32.3.8.1	Funding the CRT	32-39
		32.3.8.2	Marital Deduction	
			Planning—Spousal CRT or QTIP	
			with Remainder to Charity	32-41
		32.3.8.3	Selecting a Trustee	32-41
		32.3.8.4	Choosing the CRUT or the CRAT	32-42
		32.3.8.5	Investment Issues	32-42
		32.3.8.6	Economics of CRT Planning Need	
			to Be Analyzed	32-42
	32.3.9	Some Appl	ications	32-43
		32.3.9.1	Retirement Plan Supplement	
			or Substitute	32-43
		32.3.9.2	Asset Diversification Opportunity	32-43
		32.3.9.3	Closely Held Businesses	32-44
		32.3.9.4	Charitable Giving and Wealth	
			Replacement	32-44
		32.3.9.5	Using Life Insurance and the	
			CRUT as a Tax-Favored Means of	
			Providing an Annuity for Donor's	
			Spouse	32-45
		32.3.9.6	A Strategy for Dealing with	
			Income in Respect of	
			Decedent (IRD)	32-45 32-45
32.4		Charitable Lead Trust		
	32.4.1		Lead Trusts	32-47
	32.4.2		estamentary Lead Trusts	32-47
	32.4.3	Planning fo	or Charitable Lead Trusts	32-49
		*Form 32-		
			Unitrust	32-50
32.5			terests in Residence or Farm	32-53
	32.5.1	Split-Intere	ests in Tangible Personal	
		Property .		32-53

PART XIII AGREEMENTS BETWEEN SPOUSES

СНАЕ	PTER 33 PRENUPTIAL AGREEMENTS	33-1		
33.1	A Brief History	33-1		
33.2	Who Should Have a Prenuptial Agreement?	33-2		
33.3	What the Contract Should Contain	33-3		
33.4	When Not to Contract	33-4		
33.5	Evolution of Case Law in Pennsylvania			
33.6	Summary	33-5		
	*Form 33-1: Prenuptial Agreement, No Joint			
	Property	33-5		
	*Form 33-2: Prenuptial Agreement, Joint Property	33-17		
	*Form 33-3: Postnuptial Agreement, No Joint			
	Property	33-29		
	*Form 33-4: Postnuptial Agreement, Joint			
	Property	33-41		
	*Form 33-5: Unrepresented Spouse	33-53		
СНАЕ	PTER 34 ESTATE PLANNING FOR RETIREMENT			
011111	BENEFITS	34-1		
34.1	Beneficiary Designations	34-1		
34.2	The SECURE Act of 2020	34-1		
34.3	Conduit Trusts for Qualified Plans	34-2		
	*Form 34-1: Conduit Trust for IRA Benefits	34-2.1		
СНАЕ	PTER 35 TRUSTS FOR GIVING	35-1		
35.1	Gifts and the Gift and Estate Tax	35-1		
35.2	Gifts and the Income Tax			
35.3	Turning an Irrevocable Trust into an IDGT			
35.4	IDGTS Could Be Hazardous to Your Wealth			
35.5	The IDGT Antidote	35-2 35-2		
35.6	Summary	35-3		
	*Form 35-1: IDGT: Trust for Giving	35-3		
СНАЕ	PTER 36 DIGITAL ASSETS	36-1		
36.1	What Are Digital Assets?	36-1		
36.2	The Personal Representative's Access	36-2		
36.3	Blockchain Technology and Cryptocurrency	36-3		
36.4	Terms of Service Agreements.	36-4		
36.5	Federal Laws	36-4		
36.6	Uniform Law Enacted by Pennsylvania	36-6		
36.7	Will Provisions	36-8		
20.7	*Form 36-1: Memorandum of Digital Assets (Example).	36-9		

СНАРТ	ER 37	ASSISTED REPRODUCTIVE TECHNOLOGY A	AND	
		OTHER PARENT IDENTIFICATION ISSUES	37-1	
37.1	Children Conceived After a Parent's Death			
37.2	Using a Surrogate Gestational Carrier			
37.3	Includi	ng a "By Any Means" Clause	37-4	
37.4	What A	About the Grandparents?	37-4	
37.5	Uniform Parentage Act (2017)			
37.6	Draftin	Drafting Now to Prevent Problems		
37.7	Alterna	te Definition	37-6	
	*Form	37-1: Suggestions for Questions in your		
		Estate Planning Questionnaire	37-7	
		PART XIV		
		APPENDICES		
APPEN	DIX A	AMERICAN TAXPAYER RELIEF		
		ACT OF 2012 (ATRA)	APP A-1	
A.1		Gifts, Trusts, and Generation-Skipping Tax ons of Act		
A.2	Relevan	nt Committee Reports		
APPEN	DIX B	INTERNAL REVENUE CODE—ESTATE AND		
		GIFT TAXES (SUBTITLE B, §§ 2001–2704)	APP B-1	
APPEN	DIX C	TREASURY REGULATIONS—ESTATE AND		
		GIFT PROVISIONS (UNDER SUBTITLE B)	APP C-1	
		THE DEF CODE—PENNSYLVANIA DECEDEN	NTS,	
		ESTATES AND FIDUCIARIES CODE, TITLE 20	0	
		OF THE CONSOLIDATED STATUTES	APP D-1	
		PART XV		
		INDICES		
Subject	Index		INDEX-1	
C L	dan	1	MIDEV 17	