

# **Concept Review – Estate Planning Midterm**

Spring 2010 Roger Williams University

This document summarizes the major topics covered in each section of the course so far, and is intended as a guide for your study. In preparing for the midterm, you should also review your notes, the powerpoint slides, and end of chapter review questions. While this guide highlights the major areas of concern, it is possible that additional items covered in class may be included on the midterm exam.

## **Introduction**

- Unauthorized Practice of Law

## **Documents**

- Types of wills
- Advantages/Disadvantages (Consequences) of not having a will
- Powers of Attorney
  - Durable
  - Nondurable
- Health Care Proxies

## **Property Interests**

- Fee Simple
- Tenancy in Common
- Joint Tenancy with right of survivorship
- Tenancy by the Entirety
- Community Property
- Payable on Death accounts
- Calculation of estate tax inclusion for property interests

## **Probate Process**

- Intestacy vs. Testate
- Transfers by Probate, Contract, and Law
- Inclusions/Exclusions from the Probate Estate

## **Gift Tax**

- Imposition of gift tax
- Qualified transfers
- Annual exclusion
- Transfers eligible for the annual exclusion
- Calculation of basis for transfers by gift

## **Estate Tax**

- Gross Estate Inclusions and Exclusions

- Retained Interest Provisions
- The Three Year Rule
  - Gross up for gift tax paid within 3 years of death
  - Adjusted taxable gifts
  - Retained Interests and Life insurance
- Life Insurance inclusion in the gross estate
- Alternative valuation date
- Estate Tax Credits
  - Applicable Credit
  - Prior Transfers Credit
  - Foreign Death Tax Paid
- Income In respect of a decedent

### **Transfers during life & at death**

- Sales
- Installment Sales
- SCINs
- Private Annuities
- Estate & Gift Tax consequences of using these devices