

**PROTECT.
PRESERVE.
PASS ON.**

**HOW CPAS AND ESTATE
PLANNING ATTORNEYS CAN
BETTER SERVE CLIENTS
TOGETHER**



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A portrait of Juliet Burton, a woman with dark, wavy hair, wearing a white button-down shirt and a necklace with a small pearl. She is smiling slightly and looking towards the camera. The background is a soft-focus green.

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Your Path.

Your Legacy.

Planned with Care.

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Why Estate Planning Matters More Than Ever

Aging population

Increased wealth transfer ("The Great Wealth Transfer")

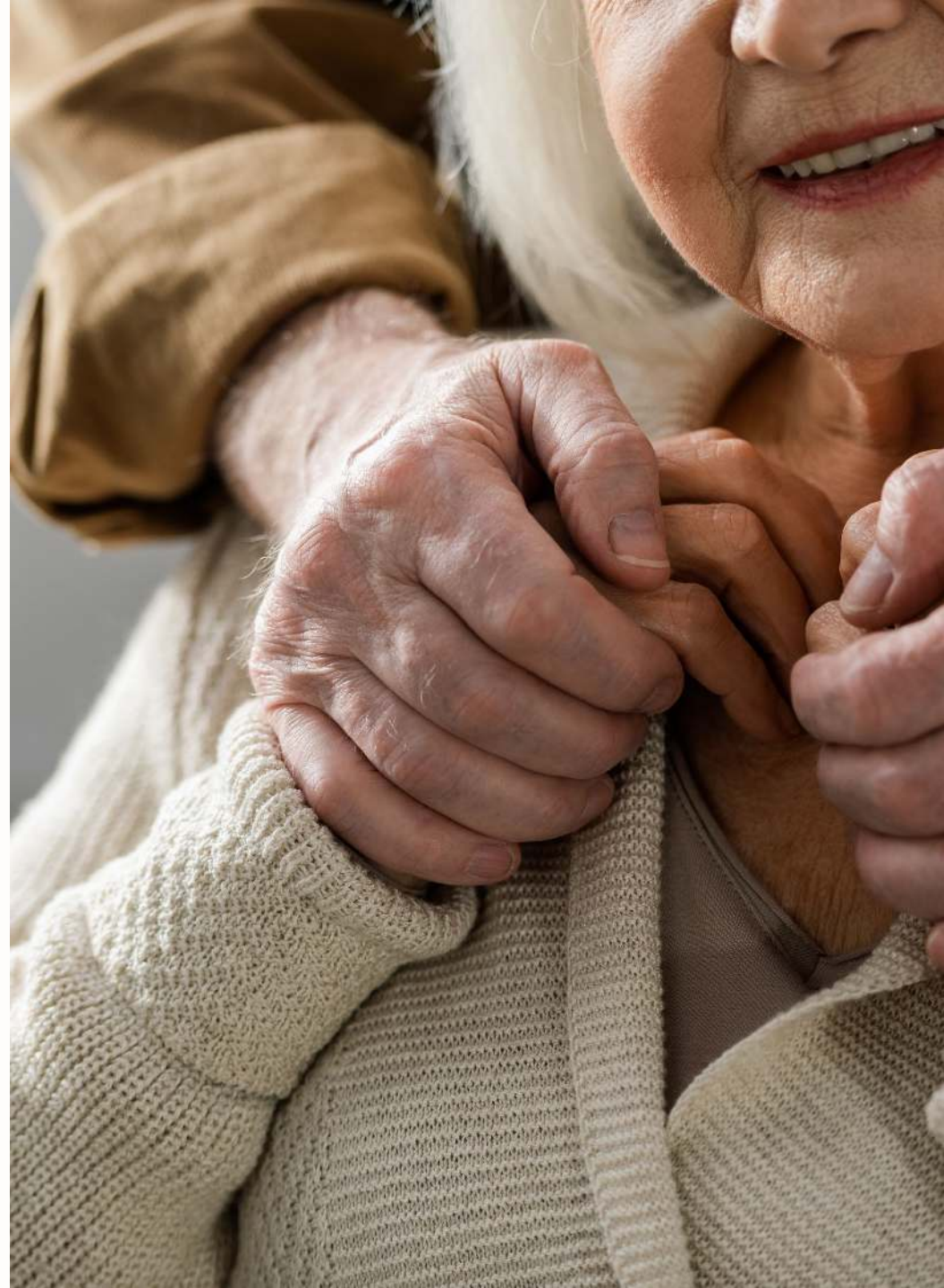
Blended families

Longer life expectancy

Family businesses

Real estate appreciation

Cross-border families





MANY CLIENTS THINK

I already have a trust.

I don't need to revisit my estate plan.

LIFE EVENTS THAT SHOULD TRIGGER A REVIEW

Marriage

Divorce

Death of spouse

Birth of children

Grandchildren

Business sale

Inheritance

Retirement

Moving states

Purchase of vacation home

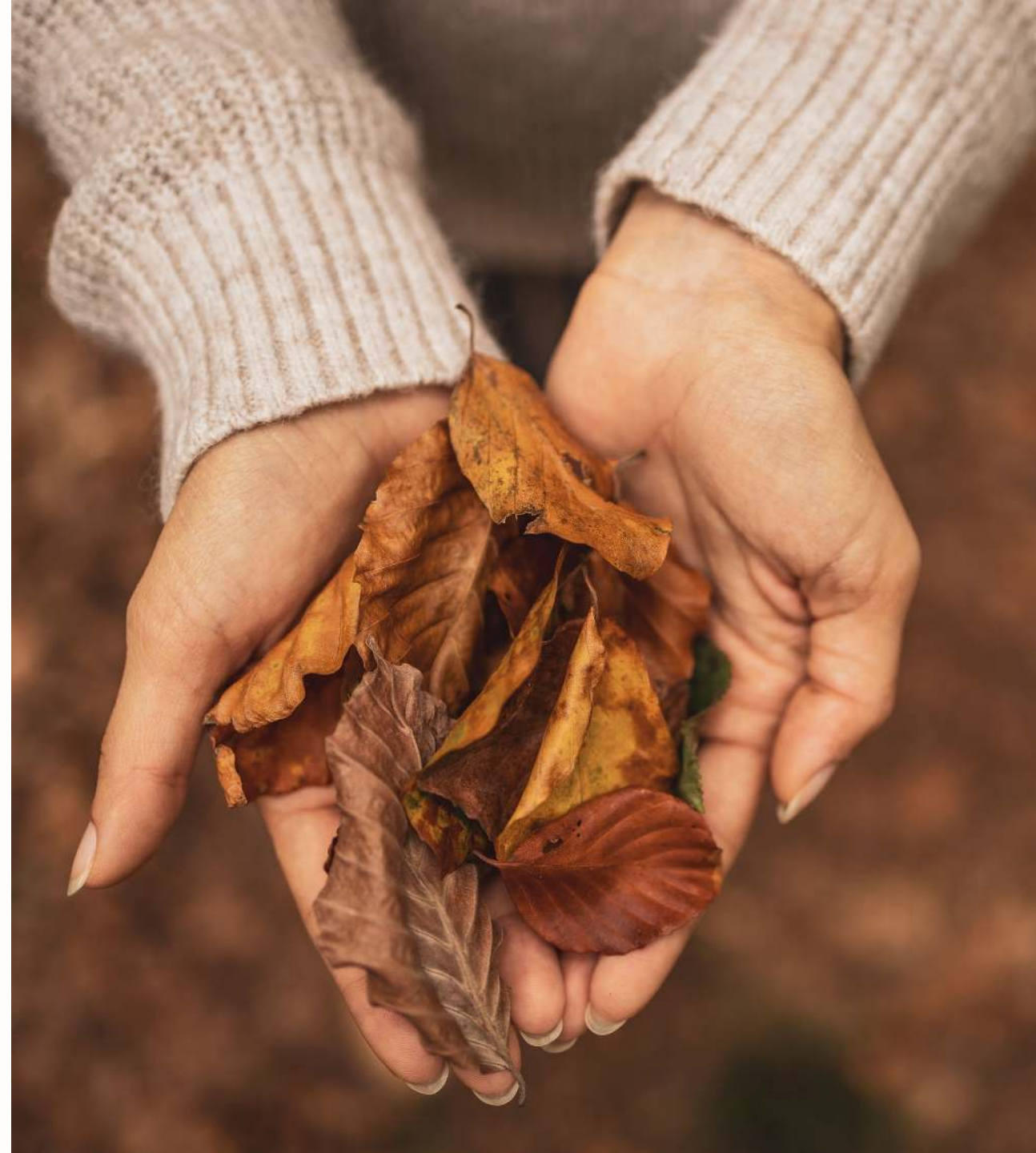
Purchase of rental property

Formation of LLC

Cross-border move

Large increase in net worth

Declining health



WHY THIS MATTERS.

Every
tax return
tells a
story.



Every
estate plan
should
reflect it.

TAXES TRIGGERED BY DEATH



THE \$15 MILLION QUESTION



2026 Federal Basic Exclusion Amount: **\$15 million** per person



Married couple: potentially **\$30 million**, before considering prior taxable gifts and other planning variables.



Top federal estate/gift tax rate: **40%**



The \$15 million amount is **indexed for inflation** going forward.



Portability remains available for married couples with a timely estate tax return.

2008 → Today

Estate Tax Exemptions How Did We Get Here?

2008
\$2M

2010
\$5M

2020
\$11.58M

2026
\$15M

**One Big
Beautiful Bill
Act
of 2025**

**Tax Cuts and Jobs Act
of 2017**

dignissim. Aliquam eget lectus eget leo venenatis quismod facilisis
in eisi. Proin tincidunt, felis posuere iaculis eleifend, nulla nulla
vestibulum neque. venenatis tringilla leo enim eget nisi.

WHAT HAVE HIGH EXEMPTIONS DONE TO ESTATE PLANNING?

Asset protection

Incapacity planning

Avoiding probate

Blended-family issues

Special-needs planning

Business succession

Basis / capital-gains planning

Charitable planning

State death taxes

Administration and fiduciary issues



Then:

Estate tax planning was often the centerpiece of the estate plan.



Now:

For many clients, the estate plan is driven more by:

**No estate tax problem ≠
no estate planning problem.**

WHAT COULD CHANGE THE EXEMPTION AGAIN?

Change in presidential
administration

Change in congressional control

Budget/revenue pressures

Future tax legislation

Political changes in the policy
debate over wealth transfer taxation

STATE EXEMPTIONS

12 states + D.C. impose an estate tax.

5 states impose an inheritance tax.

Maryland imposes both.

That means 16 states + D.C. have some form of estate or inheritance tax.

And the state exemptions can be dramatically lower than \$15 million.

STATE DEATH TAXES — 2026 SNAPSHOT

STATE	TAX
Connecticut	Estate
Hawaii	Estate
Illinois	Estate
Kentucky	Inheritance
Maine	Estate
Maryland	Estate + Inheritance
Massachusetts	Estate
Minnesota	Estate
Nebraska	Inheritance
New Jersey	Inheritance
New York	Estate
Oregon	Estate
Pennsylvania	Inheritance
Rhode Island	Estate
Vermont	Estate
Washington	Estate

Plus: District of Columbia — Estate Tax

The exemptions/rates vary considerably.

For example, Oregon's estate-tax exemption is only \$1 million, while Washington's estate-tax system has a top rate of 35%.

Pennsylvania has an inheritance tax with **no general exemption**, although the rate depends on the beneficiary's relationship to the decedent.

**THE CLIENT
MOVED.**

**DID THE ESTATE
PLAN?**



RECOMMEND A REVIEW WITH COUNSEL LICENSED IN THE NEW STATE TO DETERMINE:

State-specific execution requirements

State estate/inheritance tax exposure

Domicile/residency issues

Real-property issues

Homestead provisions

Community-property implications

Trust administration issues

State-specific probate rules

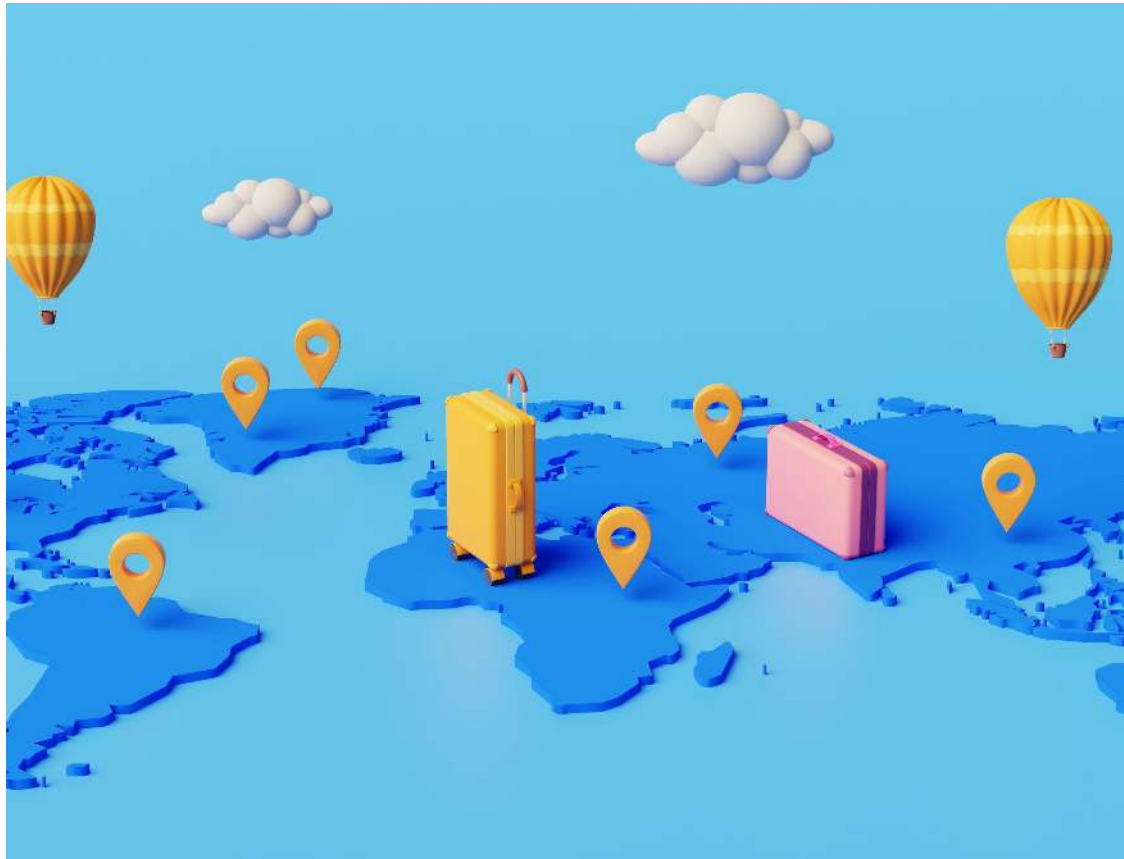
Powers of attorney and health-care directives

Whether existing fiduciaries remain appropriate



FOR AN INTERNATIONAL MOVE, THE RECOMMENDATION BECOMES:

ESTATE PLAN REVIEW + TAX REVIEW + IMMIGRATION/ RESIDENCY REVIEW



U.S. CITIZENSHIP

IMMIGRATION STATUS

DOMICILE/RESIDENCY

FOREIGN TAX RESIDENCY

U.S. SITUS ASSETS

FOREIGN SITUS ASSETS

OWNERSHIP STRUCTURES

TRUST CLASSIFICATION

GIFT AND ESTATE TAXES

INCOME-TAX CONSEQUENCES

REPORTING REQUIREMENTS

FOREIGN ESTATE/INHERITANCE TAXES

APPLICABLE TREATY

POTENTIAL CONFLICTS BETWEEN U.S. AND FOREIGN LAW

THE BEST REFERRAL IS EARLY

Call estate counsel when:

Client moves to another state

Client moves internationally

Family dynamics change

Trustee/beneficiary conflict appears

Client dies

Trust administration begins

Fiduciary duties become an issue

A beneficiary requests an unusual distribution

A prior estate plan no longer fits

The tax return reveals something that makes you uncomfortable



WHO IS YOUR CLIENT?

Income Tax Client
≠ Automatically
Fiduciary/Trust
Client



A CPA may represent:

The surviving spouse
individually
A beneficiary individually
The trustee in a fiduciary
capacity
The estate
Multiple beneficiaries
A family-owned entity
Several family members
with potentially
competing interests

THE HANDOFF:

INCOME TAX → FIDUCIARY RETURN

A PARTICULARLY COMMON
SCENARIO:

**“I’VE PREPARED MOM’S INCOME
TAX RETURNS FOR 15 YEARS.
NOW MOM HAS DIED. CAN I
JUST PREPARE THE TRUST’S
RETURN?”**

Potentially—but **pause before automatically rolling
the client forward.**

THE FIDUCIARY CLIENT MAY BE:

The trustee
The executor/personal representative
The estate

AND THE CPA MAY NOW ENCOUNTER:

Beneficiary disputes
Trustee conflicts
Allocation disputes
Questions regarding distributions
Compensation issues
Fiduciary accounting issues
Prior transactions
Potential claims against the decedent or trustee

ENGAGEMENT LETTERS SHOULD ANSWER:



WHO? Who is the client?

WHAT? What services are included?

WHO IS NOT?

Which family members/beneficiaries are not clients?

WHEN?

What period and what tax returns?

FIDUCIARY?

Are you representing the trustee/estate—or the individual?

CONFLICTS?

Are multiple parties involved?

COMMUNICATIONS?

Who may receive information?

ADDITIONAL SERVICES?

What happens if the engagement expands?



HOW CLIENT
ADVISORS SUCH
AS THEIR CPA
AND ATTORNEY
CAN WORK
TOGETHER

TOP FIVE MISTAKES CPAS SEE—AND HOW ESTATE PLANNING SOLVES THEM

Parents adding children to deeds.

No beneficiary designations

LLCs without succession planning

Outdated estate plans

DIY Estate Plans



What the CPA Sees



Rental losses

Large Capital Gain

Gift Tax Return

Inherited IRA

What the Attorney Thinks



Is the property properly owned and funded?

How can we preserve or maximize basis?

Is there a larger wealth transfer strategy?

Are the beneficiary designations coordinated?

RENTAL LOSSES

CPA Perspective

When you prepare a client's tax return, you notice they own one or more rental properties.

You see depreciation schedules, passive activity losses, mortgage interest, repairs, insurance, and rental income.

That immediately tells the CPA:

- The client owns investment real estate.
- The client has significant assets.
- The client may own multiple properties.
- There may be liability exposure.
- There may be substantial unrealized appreciation.



RENTAL LOSSES

Estate Planner Thinks :

My first question isn't about depreciation.

It's 'Who owns the property?

- Is title held individually?
- Is it held in a revocable trust?
- Is there an LLC?
- Is the LLC owned by the trust?
- Are there multiple owners?
- Is there a buy-sell agreement?
- Will this property have to go through probate?
- Does the client understand what happens if they become incapacitated?



LARGE CAPITAL GAIN

CPA Perspective

The CPA notices:

- Sale of highly appreciated stock.
- Sale of rental property.
- Sale of business.
- Sale of vacation home.

The CPA immediately thinks:

- Capital gains tax.



LARGE CAPITAL GAIN

Estate Planner Thinks : "I'm thinking about basis."

Questions include:

- Was this inherited?
- Was it community property?
- Could the client have received a step-up in basis?
- Was the asset gifted?
- Are there additional appreciated assets?
- Is charitable planning appropriate?
- Would waiting until death have produced better tax results?
- Does the client have an outdated trust that doesn't account for current tax law?



GIFT TAX RETURN (IRS FORM 709)

CPA Perspective

The CPA prepares a federal gift tax return because the client:

Gifted real estate.

Gifted LLC interests.

Forgave a family loan.

Made a large cash gift.

Transferred interests in a family business.



GIFT TAX RETURN

Form **709** United States Gift (and Generation Skipping Tax)

1 Donor's first name and middle initial

2 Donor's last name

4 Address (number, street, and apartment number)

6 City, state or province, country, and ZIP or foreign postal code

the donor died during the year, check here ☐ and enter date of death _____

Estate Planner Thinks :

"I wonder whether this was part of an intentional estate planning strategy or a one-time decision without legal guidance."

Questions include:

Is the client making annual exclusion gifts?

Is the client intentionally using lifetime exemption?

Is there a gifting trust?

Should valuation discounts be considered?

Does the trust need amendment?

Should GST planning be discussed?

Are there creditor protection concerns?

If in California - are there property tax implications under Proposition 19?

EXAMPLE

A Client tells you they gave their son an interest in their business.

CPA files Form 709.



Attorney asks:



Does the operating agreement permit transfers?



Should the LLC interests first be assigned to the trust?



Does this affect management control?



Is there a succession plan?

INHERITED IRA

CPA Perspective

The CPA receives Form 1099-R.

Client says,

"I inherited my mother's IRA."

CPA begins calculating:

Required distributions.

Income tax.

SECURE Act rules.

Withholding.

INHERITED IRA



Estate Planner Thinks :

"My first question is: Who was named as the beneficiary?"

Important questions include:

Was an individual named?

Was a trust named?

Is it a surviving spouse?

Was there a disclaimer?

Are there contingent beneficiaries?

Can the surviving spouse complete a rollover?

Does the distribution align with the client's broader estate plan?

BUILDING AN EFFECTIVE CPA-ATTORNEY REFERRAL RELATIONSHIP

CPA brings:

Tax returns

Basis information

Entity structure

Gift Tax History

Attorney brings:

Trust summaries

Ownership/Funding information

Transfer documents

Beneficiary coordination

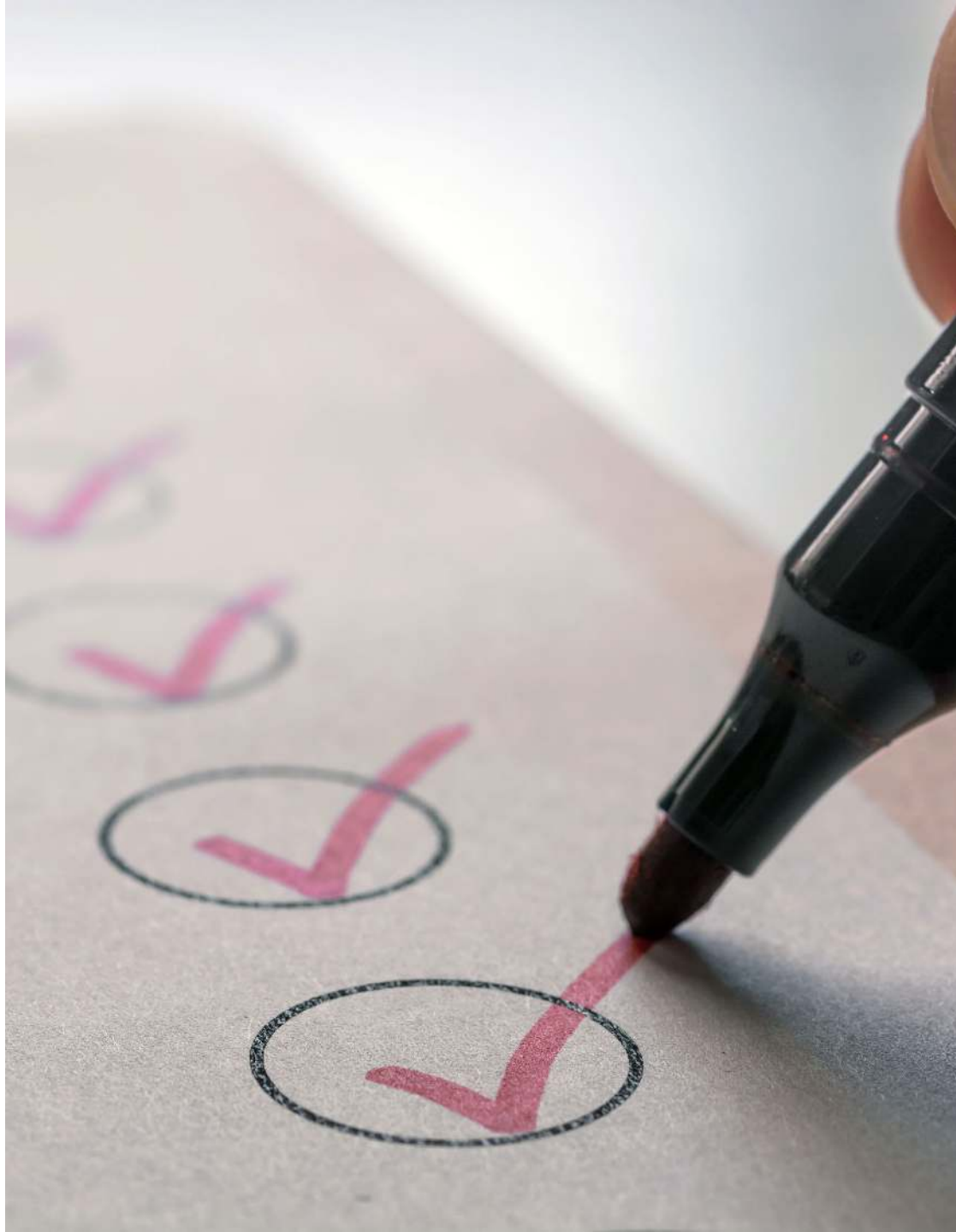
Client action lists



PRACTICAL CHECKLISTS FOR CPAS

Ten Questions Every CPA Should Ask

1. Do you have a trust?
2. When was it last reviewed?
3. Is your home titled in the trust?
4. Have you updated beneficiaries?
5. Have you made gifts?
6. Have you inherited assets?
7. Have you purchased real estate?
8. Do you own an LLC?
9. Who can act if you're incapacitated?
10. Have your family circumstances changed?



PROTECT.

Asset protection, incapacity planning, business entities, creditor protection, and beneficiary safeguards.





PRESERVE.

Income tax planning, property tax issues, retirement assets, business succession, charitable planning, and cross-border considerations.

PASS ON.

Probate avoidance, trust administration, family governance, multigenerational planning, and avoiding common mistakes that derail even well-designed estate plans.





THE POWER OF WORKING TOGETHER

Different perspectives. One complete picture.



DISCLAIMER



This presentation is for educational purposes only and does not create an attorney-client relationship.



The information provided is general in nature and may vary depending on your specific circumstances.



Always consult a qualified attorney or tax professional before making any legal or financial decisions.