

Maximizing Outcomes for Complex Wealth Plans: Year-End Planning Checklist



As the end of the year approaches, it's important to review your wealth plan to be sure it's positioned to take advantage of new opportunities and maximize tax mitigation strategies.

1. Consider planning and tax mitigation strategies

- ☐ Be aware of the impact of the increased federal estate tax exemption on your estate
- ☐ Consider lifetime gifting, whether outright or in trust (i.e., dynasty trusts, non-reciprocal spousal lifetime agreement trusts, etc.)
- ☐ Consider estate freeze techniques to shift future growth out of your estate (Grantor retained annuity trusts, qualified personal residence trusts, etc.)
- ☐ Consider the beneficial impact of grantor trusts, which may include tax mitigation and asset protection
- ☐ Be aware of potential state death taxes in your state of residence
- ☐ Take advantage of valuation discounts, which may help reduce potential estate or gift taxes
- ☐ Keep in mind funding sources, continued cash flow needs, and income tax basis when transferring assets in support of planning strategies
- ☐ Review your structural plan and consider the extent to which unwinding unnecessary complex planning structures may be appropriate for efficiency and flexibility



2. Engage in income tax planning, as appropriate

- ☐ Review basis planning opportunities with your advisors
- ☐ Understand opportunities in Qualified Opportunity Zones (QOZ)
- ☐ Be aware of updated gain exclusion rules for Qualified Small Business Stock (QSBS)

3. Review your philanthropic strategy (beyond ad hoc charitable gifting)

- ☐ Explore enhanced philanthropic structures (i.e., charitable remainder and lead trusts, private foundations, etc.)
- ☐ Consider income tax advantages, as well as future estate tax mitigation
- ☐ Involve the next generation in your philanthropic plans and administration

4. Review your family governance and family office infrastructure

- ☐ Be intentional about communication and consider forming family meetings
- ☐ Review your financial organization and consider external solutions for specific financial management services
- ☐ Consider retaining an outsourced family office director to help organize, simplify, and manage the many components of your complex financial picture

5. Review your aggregate asset picture

- ☐ Consider data aggregation and consolidated reporting solutions
- ☐ Consider incorporating alternative asset* exposure

Please do not hesitate to contact your advisor for assistance with any of the items listed above.

* Alternative assets, such as strategies that invest in hedge funds, can present greater risk and are not suitable for all investors.

This material is for informational purposes only and is not intended as an offer or solicitation for the sale of any financial product or service. This material is not designed or intended to provide financial, tax, legal, accounting, or other professional advice since such advice always requires consideration of individual circumstances. If professional advice is needed, the services of your professional advisor should be sought. There is no assurance that any investment, financial, or estate planning strategy will be successful.

Wilmington Trust is not authorized to and does not provide legal, accounting, or tax advice. Our advice and recommendations provided to you are illustrative only and subject to the opinions and advice of your own attorney, tax advisor, or other professional advisor.

Investing involves risks and you may incur a profit or a loss. There is no assurance that any strategy will be successful. Diversification cannot ensure a profit or guarantee against a loss.

Wilmington Trust is a registered service mark used in connection with various fiduciary and non-fiduciary services offered by certain subsidiaries of M&T Bank Corporation including, but not limited to, Manufacturers & Traders Trust Company (M&T Bank), Wilmington Trust Company (WTC) operating in Delaware only, Wilmington Trust, N.A. (WTNA), Wilmington Trust Investment Advisors, Inc. (WTIA), Wilmington Funds Management Corporation (WFMC), Wilmington Trust Asset Management, LLC (WTAM) and Wilmington Trust Investment Management, LLC (WTIM). Such services include trustee, custodial, agency, investment management, and other services. International corporate and institutional services are offered through M&T Bank Corporation's international subsidiaries. Loans, credit cards, retail and business deposits, and other business and personal banking services and products are offered by M&T Bank. Member FDIC.