*Presentation:*Estate Planning For Income Taxes: Maximizing Step-Up In Basis For Couples

*Presenter:*   
*Jeffrey Levine, CPA/PFS, CFP*®, CWS®, BFA®, MSA is the Lead Financial Planning Nerd for [Kitces.com](https://www.kitces.com/) and the Chief Planning Officer at [Focus Wealth Partners](https://wealth.focuspartners.com/). In 2020, Mr. Levine was named by Investment Advisor Magazine as one of the top 25 voices to turn to during uncertain times, and was named to the IA25 again in 2021. Jeff is a past recipient of the [Standing Ovation award](https://www.aicpa.org/press/pressreleases/2017/aicpa-announces-standing-ovation-honors-in-personal-financial-planning.html), presented by the AICPA Financial Planning Division, was named to the [2017 class of 40 Under 40](http://www.investmentnews.com/section/40-under-40/2017/profile/24/Jeffrey-Levine) by InvestmentNews, and as a Young Advisor to Watch by Financial Advisor Magazine in 2020. Previously, Jeffrey served as Ed Slott and Company’s Chief Retirement Strategist, where his ability to simplify the complex laws that govern individual retirement accounts, combined with his unique blend of humor and tax planning, was first recognized. You can follow Jeff on Twitter [@CPAPlanner](https://twitter.com/CPAPlanner), where he is known to break down the latest tax updates in GIF-filled tweets storms, and via his personal website, [www.FullyVestedAdvice.com](http://www.fullyvestedadvice.com/).

*Session Description:*

Given recent changes in the law, “tax planning” for one’s estate at death has become a lot less about estate *tax* planning, and far more about the *income* tax planning opportunities at death… particularly with respect to maximizing available step-up in basis opportunities. With that in mind, attendees of this session will explore topics including how pre-death asset transfers can help maximize step-up in basis, how other types of pre-death transfers can help avoid the potential for a step-down in basis, complications associated with these strategies for clients living in community property states, and the disadvantages of traditional credit shelter trusts that emerge in an estate planning environment driven by income- (rather than estate-)tax planning.

*Learning Objectives:*

- LO #1: Describe the different ways a decedent’s assets may be treated for income tax purposes after death.

- LO #2: Examine how the post-death tax treatment of IRD assets differs from other assets.

- LO #3: Identify planning considerations for when property is held jointly between spouses at death.

- LO #4: Learn planning strategies to maximize step-up in basis opportunities and to avoid losing capital losses.

-LO #5: Explore complications and opportunities that can present themselves when trusts are used for estate planning purposes

*Level of Complexity:*

- CFP: Advanced

*Topic Area(s):*

- CFP: Financial Planning Process, Tax Planning, Estate Planning

- NASBA: Specialized Knowledge (Personal Financial Planning)

*Hour(s) of CE:*

- 1.0 CE

*Outline:*

* The changing landscape of estate planning…………………………………………….... 5 minutes
* Identifying and understanding IRD and the IRD deduction……………………………... 5 minutes
* Basic step-up in basis rules………………………………………...…………………... 8 minutes
* Step-up in basis rules for joint property………………………………...…………...…. 8 minutes
* Maximizing the step-up in basis via pre-death asset transfers…………..…………….. 8 minutes
* Maximizing losses via pre-death asset transfers…….……………………….………… 13 minutes
* Revisiting credit shelter trust planning…………………………………………………. 8 minutes
* Advanced step-up-in-basis trusts………………………………………………………. 8 minutes

Total: 55 minutes