



# "Giving" Advice



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[TCF "GIVING" ADVICE  
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## ABOUT YOUR FOUNDATION

Since 1973, the **Toledo Community Foundation** has provided individuals, families and businesses interested in the well-being of our community with an *efficient, effective, low-cost, professionally managed* mechanism to achieve their charitable goals.

For philanthropists wishing to maximize the impact and life of their charitable gifts, the Foundation provides *resources for thoughtful giving*. Using its expertise and personalized services, **Toledo Community Foundation** helps donors

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## Making Good Assumptions Makes A Good Plan

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ESTATE PLANNING; Pg. 52 Vol. 17 No. 3

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We all know the old adage about making assumptions. But it doesn't always ring true. As an accountant helping plan your clients' future tax liabilities, especially the establishment and eventual distribution of their estate, making as many assumptions as possible (and as correctly as possible) can help preserve the personal wealth they have built up throughout their lifetime and ensure distribution of it as they desire with the least amount of tax burden.

Of course there's also that other adage: "Nothing's certain except death and taxes." Sure, we all eventually depreciate to zero, but the tax part doesn't always have to be a certainty, especially when a person has properly prepared for the inevitable. That's where financial planning, with an eye generally on the eventual dissolution of an estate and distribution of assets comes into the picture as a key role for public accountants and estate tax attorneys. This is as opposed to growth-based financial planning like what CFPs and brokers offer, which may look at long-term goals and tax reduction, but rarely looks to the final finish line. Both processes, however, deal with many of the same interim factors, including charitable gifts, educational goals for children and grandchildren, insurance, retirement income, planning for business succession, long-term medical issues, the loss of a spouse and other factors, most of which come with a mountain of bureaucratic red tape. Since the primary method of reducing estate taxes is through gifts and the establishment of various types of trusts, the gift tax laws are very closely related to estate planning, too.

Unfortunately, far too many people die either intestate or with poorly

transform their philanthropic impulse to measurable community impact. Beyond the gifting of assets, the Foundation helps donors identify issues of importance to them and *inspires engagement* with community organizations addressing these issues, thereby maximizing the impact of charitable gifts and creating a greater sense of fulfillment.

developed plans as to how they can minimize various taxes on their estate and beneficiaries, not only after their death, but also while they are still able to enjoy their wealth. One reason for this is that estate and gift tax planning can be a daunting task even for a professional, and much more so for the untrained. Not only do the processes require understanding state and federal tax laws and the treatments that can legally reduce or eliminate taxes, but the planner must also have experience working with the various government entities.

As the most trusted financial advisor to your clients, you are the one who needs to instigate the financial and estate planning process since most people are reticent to bring it up. One of the best points to stress with hesitant clients is that estate planning can help them now by reducing current tax burdens, as well as help their beneficiaries in the future, depending upon their plan. Of course, the plan each client needs will likely be as different as they are, which is where a strong estate or financial planning program becomes integral to your practice.

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