

CAPITAL TRANSACTIONS GROUP

CHECKLIST OF SAMPLE TAX SITUATIONS

PROBLEM	SOLUTION
1. Client with a cash buyer of stock or real estate facing a large capital gains tax due to substantial asset appreciation	Creation of partnership entity structure and family trust together with a sale of a portion of the entity structure to the trust in return for a deferred obligation and/or a transfer of a portion of the entity structure to a specially designed charitable trust, allowing for a tax free sale of the asset.
2. Elderly client facing a potentially large estate tax	Creation of family partnership coupled with sale to a specially designed family trust in exchange for a private annuity or specially designed note eliminating transfer taxes on assets transferred to trust.
3. Charitably motivated client with a large income tax bill for the current year.	Creation of specially designed charitable trust allowing "up front" income tax deduction for the client's future gifts through a private foundation created for the client.
4. Client with a concern over future potential creditors who requires a continued income stream from his or her wealth	Creation of partnership entity structure and specially designed trust situated in a favorable creditor jurisdiction coupled with transfer of a portion of the entity structure to the trust in exchange for payments to client for a term of years in the form of a note or private annuity.
5. Client with substantial income tax on dividend and interest income from portfolio of securities.	Creation of partnership entity structure and specially designed charitable remainder trust with special allocation provisions in the partnership structure.