

# FAMILY EMPIRE COMPANY PLAN SUMMARY

## INTRODUCTION

The Family Empire Company Plan uses several of the Advanced Planning techniques together. By using several Advanced Planning techniques in a unified plan we can obtain greater tax deduction and tax benefits under the estate tax laws.

A **unified** plan also maximizes control and flexibility for the clients. It uses many of the techniques together to provide the maximum benefits under the law.

Here is a further explanation of how the Family Empire Company Plan works:

## FAMILY EMPIRE COMPANY PLAN

- Our Advanced Planning Information Packet contains a **pictorial explanation** of Family Empire Companies and Gift Trusts along with some other Advanced Planning techniques. (If you haven't already received one of these detailed packets call us and we'll send one right out.)
- The Family Empire Company Plan utilizes a **specialized Limited Liability Company** format because this type of format gives the greatest flexibility, control and estate tax reductions. Therefore included in the information is additional information on Limited Liability Companies and their advantages.
- In simplified terms the method is three fold:
  - To **"squeeze down" the tax value** of the assets for estate tax purposes.
  - To divide the ownership of the Family Company among different trusts to further **reduce the tax value of the assets**.
  - To formalize the control of the assets so that the assets can receive the **more liberal tax rules and tax deductions available** to "Family Owned Businesses" under the estate tax laws.
- In addition the Family Empire Plan is the only realistic method of saving the taxes **without losing control of the assets**.
- Most clients do not want to lose control of their assets even if it means saving taxes. With a Family Empire Company Plan the clients can maintain control and still get substantially increased estate tax benefits.
- The Family Empire Company plan uses a special type of Limited Liability Company along with Annual Exclusion Trust(s) and other specialized documents to obtain the **maximum deductions, exclusions, and advantages** under the estate tax laws.
- More detailed legal information is contained in our Advanced Planning Information Packet especially the legal article regarding the **10 Reasons to Use a Specialized Limited Liability Company for Estate Planning**.

## LAWSUIT AND ASSET PROTECTION

- One of the added benefits of the Family Empire Company Plan is lawsuit and asset protection.
- Because the Family Empire Company Plan uses a specialized Limited Liability Company, you also get the **added benefits of lawsuit and asset protection**.
- Limited Liability Company laws were designed to provide a client with the **maximum available protection** and shielding from lawsuits.
- Many clients are setting up Limited Liability Companies just to protect their assets from lawsuits **even if they don't need any estate tax benefits**.