

Trusts, Estates, and Tax Planning

Whether there's a billion-dollar business in the family or assets of a far more modest nature, we know that careful, flexible planning is the key to achieving equity, avoiding family fights, and even satisfying the taxman.

Planning for what happens to you and your assets while you're alive and able to make decisions is critically important not only to you, but also to your family and perhaps others as well. Trusts, estates, tax planning: while these may sound like they're all about money and other assets – what there is, where it is, and where it should go – it's as much about your family and your hopes for the future. The direct and ripple effects of your decisions can be complicated to understand. That's why we're here to help.

It's as much about trust as it is about trusts

Yes, one of the things our lawyers do is help establish trusts to ensure assets are managed and distributed properly. But there's a different kind of trust, the kind that allows clients to grow with us through generations and across extended families. Some of Carrington Coleman's clients in this practice have been with us for 20 or 30 years. The reason is simple: we know of only one way to provide great services when families are involved, and that's to see you as family. We want to and need to know who you are, what the relationships in your family are like, and what your long-term goals and priorities are.

Touching all the bases

Carrington Coleman occupies a unique place in this practice. We're not a boutique, limited to a few services and referring clients out when matters get a little complicated or outside the box. And we're not a big firm with big firm rates, inefficiencies, and cookie-cutter approaches. What we do have is the family feel that a boutique might provide but with the extensive resources just down the hall to handle any issue, no matter how challenging. That means if you have complex real estate holdings, closely held and multistate businesses of any size, complicated tax responsibilities, special needs family members – whatever it might be – we've got you covered.

You're looking at the future. We are, too.

Rest assured that we have got our eyes on anything that might affect your planning, from how you save to your succession plans, from changes in the law to changes in your thinking. Here are just a few of the many things we're watching right now.

- **The estate and gift tax.** It's not news that the estate tax has been a political football for as long as anyone can remember. Those debates will continue, and nobody knows what changes may come. The key is to be flexible and not overreact based on what's debated in Congress or promised on the campaign trail on any given day.

- **The SECURE Act.** The SECURE Act of 2019 made some of the most important changes to retirement legislation in more than a decade, with a variety of implications for IRA and 401(k) accounts. There are at least four key areas that will affect retirement planning, and Carrington Coleman's lawyers are here to help you understand each and implement changes if needed.
- **The COVID effect.** As a result of the pandemic, courts have discovered that holding hearings and other proceedings virtually – especially in uncontested and relatively simple matters – offers tremendous benefits. We expect this trend to continue. Judges have endorsed it because remote proceedings are efficient, convenient, and reduce costs for everyone. Family members who may be scattered far and wide no longer have to travel.

The Missing Heirs

Client Issue: A Collin County, Texas, probate matter: A man died with no spouse, no children, and no will – but with substantial assets. The search for heirs was on. His mother's side of the family lived in Austin, but nobody knew the father's side.

Approach: We employed a detailed genealogical search, which finally took us to ancestry records in Salt Lake City, where we found 64 heirs on the father's side of the family.

Outcome: The man's estate was carefully and properly divided among the mother's and father's sides of the family.

Areas of Focus

Probate and succession administration

Following a person's death, our lawyers can assist the assigned executor, administrator, or trustee with the probate court filings and oversee the process of administering the estate and distributing the estate's assets to beneficiaries. If need be, we can also serve as the administrator ourselves. If things get more complicated, our experience can help get the matter resolved efficiently and successfully.

Drafting and modification of wills

Your will allows you to make decisions about, among other things, how you would like your assets to be handled following your death and can also address the desired guardianship of, and asset management for, minor children. Assets – and thus wills – can be simple or extremely complicated, as when business ownership, partnerships, or complex investments or family dynamics are involved. Each state has laws governing wills, and when we assist in your will's drafting or later updating, we ensure not only compliance, but also address the unique nature of your assets and circumstances of your family.

Establishing trusts to ensure your wishes are carried out

Separate from your will, a trust governs the management and disbursement of your assets among family members and typically includes detailed instructions for using the property in a way that meets your goals and ensures your beneficiaries' best interests. A trust helps assure efficient transfer of assets to beneficiaries and can be used to minimize taxes. We can help you determine the benefits of using different types of trusts, including but not limited to: revocable living trusts, irrevocable trusts, special needs trusts, and charitable trusts.

Preparing for what may come with living wills

Unexpected life events do occur. That's why it's important to have a "living will." Our lawyers can help you draft a living will, providing advance directives regarding your medical treatment should you suffer an incurable injury or illness, or be in an unrecoverable comatose state. You may also donate your organs and/or your remains in this directive.

Granting powers of attorney

Determining who will have power of attorney to make legal decisions on your behalf if you become incapacitated can be complicated. You can grant varying areas of authority, such as medical care and financial management, to different individuals. Our job in drafting power of attorney agreements is to ensure that your wishes will be followed and your needs met throughout the rest of your life, even when you are unable to do so yourself.

Finding the right resolution, even if it means the courthouse

We frequently represent clients in contested wills and trusts, probate disputes, guardianship disputes, disputes with fiduciaries, and many more. Trust and estate-related disputes, unlike many other disputes, can take a real emotional toll on families and individuals. We are sensitive to that and do all we can to resolve matters outside of court. But when that proves impossible, you can expect Carrington Coleman lawyers to not only have a deep understanding of trusts and estates law, with decades of experience, but first-rate skills in the kinds of high-stakes litigation that are unique to trust and estate disputes.

Guiding you through the tax maze as you plan

Nobody escapes the taxman. From estate taxes and exemptions to gift taxes and exclusions and generation-skipping transfer taxes, our lawyers will guide you through the tax implications of every component of your plan. With your priorities and goals in mind, our lawyers help craft and tailor a plan to fit you perfectly.

Significant Matters

- Business succession and estate planning for a billion dollar closely held company
- Complex intestate estate administration with issues relating to sperm-donor paternity, adoptions, and conflicts of law between states

- Liability protection planning with the family ranch and/or farm
- Tax planning with irrevocable trusts and family entities
- Breach of prenuptial agreement litigation against a deceased spouse's estate
- Establishing common law spousal claims in estate administration
- Advising companies on estate administration matters upon death of investor
- Representing fiduciaries appointed under powers of attorney
- Trust tax basis planning
- Representing charities who are beneficiaries of charitable trusts
- Estate planning with international assets
- Guardianships for hospitals with abandoned patients
- Family limited partnership disputes

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