



Presented to

**Greater St. Louis Financial
Symposium
St. Louis, Missouri
April 26, 2018**

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Income Tax Planning Is The New Estate Tax Planning

Potpourri of Income Tax Planning Ideas, Including State Trust Income
Tax Planning and ING Trusts

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Changes in Tax Laws by the 2017 Tax Cuts and Jobs Act

- Estate, Gift, and GST Taxes
 - 2018 Estate/Gift and GST tax exemption - \$11,180,000/person
 - Expires January 1, 2026
 - Use it or lose it
 - Probably no clawback
 - No repeal

2017 Tax Cuts and Jobs Act

- Estate, gift and GST taxes are irrelevant to most estates now
- Business as usual for large estates
 - Discount planning and family limited partnerships still effective if structured appropriately (Powell case)

2017 Tax Cuts and Jobs Act

■ Income Tax Changes

- C Corporation tax rate of 21%
- 20% deduction for qualified business income from pass-through entities and sole proprietorships
 - 20% deduction is phased-out for specified service businesses in the fields of health, law, accounting, actuarial science, performing arts, consulting, athletics, financial services, brokerage services, or any business where the principal asset is the reputation or skill of one or more of its employees, except for engineering or architecture.
 - Married couples filing jointly – phase-out between \$315,000 and \$415,000
 - Other taxpayers – phase-out between \$157,500 and \$207,500

2017 Tax Cuts and Jobs Act

- Doubling of standard deduction
- Elimination of personal exemptions
- \$10,000 limitation for married couples filing jointly and single filers on deduction for state and local taxes
 - Divide residences among multiple trusts for additional \$10,000 deductions
- Cash contributions to public charities from individuals now deductible up to 60% of AGI (previously 50%) with 5-year carryover

2017 Tax Cuts and Jobs Act

- Elimination of miscellaneous itemized deductions that would otherwise have been subject to the 2% floor
 - Investment management fees and expenses
 - Legal fees for tax planning
 - Tax preparation fees
 - Appraisal fees for charitable contributions

- Roth IRA conversion
 - Ability to recharacterize a Roth IRA conversion is eliminated
 - Can still recharacterize a Roth IRA contribution

2018 Federal Income Taxes

■ Highest Tax Brackets

- 37% Single (\$500,00+)
- 37% Married Filing Jointly (\$600,000+)
- 37% Married Filing Separately (\$300,000+)
- 37% Trusts (\$12,500+)

- 3.8% Net Investment Income Tax (on interest, dividends, rents, royalties, capital gains, and trade or business income that is a passive activity)

- 20% Long-Term Capital Gains and Qualified Dividends (2018 20% thresholds – trusts over \$12,700; single over \$425,801; married filing jointly over \$479,000; married filing separately over \$239,500; head of household over \$452,400)

- 15% thresholds – trusts (\$2,601-\$12,700); single (\$38,600-\$425,800); married filing jointly (\$77,200-\$479,000); married filing separately (\$38,600-\$239,500); head of household (\$51,700-\$452,400)
- 0% rate if under above thresholds

Income vs. Estate Taxes

- Even before imposition of state income taxes, top rates are effectively 40.8% for ordinary income and 23.8% for long-term capital gains
- Highest income tax rate is more than estate/gift and GST tax rate of 40%

State Income Taxes

- State income tax rates range from 0% – 13.3%
- California – highest rate (13.3%)
- 7 States with no Income tax: Alaska, Florida, Nevada, South Dakota, Texas, Washington, and Wyoming
- Tennessee and New Hampshire only tax dividends and interest. N.H. Admin. Code Rev. § 902.07; Tenn. Code Ann. § 67-2-102.
- States with no estate tax or income tax: Alaska, Florida, Wyoming, and Nevada.

2018 State Income Tax Rates (ranked by rate)

California	13.30%	Maine	7.15%	Rhode Island	5.99%	Utah	5.00%
Hawaii	11%	South Carolina	7.00%	Missouri	5.90%	Ohio	4.997%
Oregon	9.90%	Connecticut	6.99%	Maryland	5.75%	Illinois	4.95%
Minnesota	9.85%	Arkansas	6.90%	Virginia	5.75%	New Mexico	4.90%
Iowa	8.98%	Montana	6.90%	Kansas	5.70%	Colorado	4.63%
New Jersey	8.97%	Nebraska	6.84%	North Carolina	5.499%	Arizona	4.54%
District of Columbia	8.95%	Delaware	6.60%	Massachusetts	5.10%	Michigan	4.25%
Vermont	8.95%	West Virginia	6.50%	Oklahoma	5.00%	Indiana	3.23%
New York New York City (in addition to state tax)	8.82% 3.876%	Georgia	6.00%	Alabama	5.00%	Pennsylvania	3.07%
Wisconsin	7.65%	Kentucky	6.00%	Mississippi	5.00%	Tennessee	3.00%
Idaho	7.40%	Louisiana	6.00%	New Hampshire	5.00%	North Dakota	2.90%

2018 State Income Tax Rates (alphabetically)

Alabama	5.00%	Illinois	4.95%	Mississippi	5.00%	Oklahoma	5.00%
Arizona	4.54%	Indiana	3.23%	Missouri	5.90%	Oregon	9.90%
Arkansas	6.90%	Iowa	8.98%	Montana	6.90%	Pennsylvania	3.07%
California	13.30%	Kansas	5.70%	Nebraska	6.84%	Rhode Island	5.99%
Colorado	4.63%	Kentucky	6.00%	New Hampshire	5.00%	South Carolina	7.00%
Connecticut	6.99%	Louisiana	6.00%	New Jersey	8.97%	Tennessee	3.00%
District of Columbia	8.95%	Maine	7.15%	New Mexico	4.90%	Utah	5.00%
Delaware	6.60%	Maryland	5.75%	New York New York City (in addition to state tax)	8.82% 3.876%	Vermont	8.95%
Georgia	6.00%	Massachusetts	5.10%	North Carolina	5.499%	Virginia	5.75%
Hawaii	11%	Michigan	4.25%	North Dakota	2.90%	West Virginia	6.50%
Idaho	7.40%	Minnesota	9.85%	Ohio	4.997%	Wisconsin	7.65%

Income Tax Basis Planning

- Avoid gifts of highly appreciated property to obtain basis adjustment at death
- Transfer assets to spouse who is likely to die first (using irrevocable trusts to avoid IRC § 1014(e))
 - Use of LLCs to facilitate the quick transfer of assets to spouse in poor health
- Sell loss property prior to death to realize loss

Basis Planning

- Irrevocable grantor trusts: exercise right to substitute property to move assets with a low basis into taxable estate
- Utilizing portability for full basis adjustment at second spouse's death

Basis Planning

- Update revocable trusts to grant a beneficiary of a credit shelter trust or lifetime trust a “formula” general power of appointment for basis adjustment at death
 - Formula adjusts to ensure no federal or state estate taxes will be owed

Basis Planning

- Unneeded Insurance Trusts, Qualified Personal Residence Trusts, Credit Shelter Trusts, and other Irrevocable Trusts
 - modify irrevocable trust to grant formula power of appointment to achieve basis adjustment but maintain divorce or creditor protection

Basis Planning

- General Power of Appointment Risks
 - Can the power to appoint to your creditors or estate subject the assets of the trust to your creditors at your death if your estate is insolvent?
 - Not under Missouri law
 - Mo. Rev. Stat. Section 456.5-508.1(1)
 - Mo. Rev. Stat. Section 456.1105.2
 - Unclear what state's law will apply

Basis Planning

- See Restatement, Third, Trusts Section 56, cmt b; Uniform Powers of Appointment Act Section 502(a)(2); and Restatement, Third, Property Section 22.3(b) (property subject to a general power of appointment is subject to the powerholder's creditors if the estate is insolvent)
- Wasn't this always an issue with formula GST general power of appointment clauses?
- Use a savings clause to undo the general power of appointment if the beneficiary's estate is insolvent

Basis Planning

- What if you do not want the beneficiary to leave assets to a creditor or his/her estate
 - Limit the general power of appointment to creditors who are consented to by a non-adverse Trustee; IRC Section 2041(b)(1)(C)(ii)
 - Trustee will never consent

Basis Planning

- Upstream Planning
 - Give a parent or person of older generation a general power of appointment over your appreciated assets so you obtain a basis adjustment at the older person's death
 - Limit the power to creditors consented to by a non-adverse trustee

Income Tax Planning Techniques to Consider

- Bunch itemized income tax deductions into single year (charitable contributions, property taxes, sales taxes, medical expenses, etc) so amount exceeds standard deduction
- Reevaluate most tax efficient entity structure for businesses under new tax rules
- Stretch IRAs
- Utilize income tax free growth of cash value life insurance

Income Tax Planning Techniques to Consider

■ Trust Income Tax Planning

- Distributions to beneficiaries
 - Lower rate of beneficiary
 - Avoiding NIIT (2018 Thresholds – Trusts \$12,500; married filing jointly \$250,000; married filing separately \$125,000; single \$200,000)
 - Allocating Capital Gain to Beneficiary (“Trustees may allocate, within the meaning of Treasury Regulation § 1.643 (a)-3(b), to income or principal, or partly to income and partly to principal, all or part of the realized gains from the sale or exchange of trust assets.”)
 - 65-day rule (IRC § 663(b)); made by checking box on Schedule G of Form 1041
- QSST Elections vs. ESBT elections
- Using grantor trusts
- Material participation by trustees to avoid NIIT
- INGs (page)

642(c) Charitable Income Tax Deduction for Trusts

- Include language in trusts as part of form:
 - “Any distribution to a charitable organization shall first be paid with items of gross income, it being my intention that this trust shall be entitled to claim a charitable income tax deduction for such distribution under § 642(c) of the Code.”
 - No limitation on 642(c) deductions
 - Cash contributions to public charities from individuals now deductible up to 60% of AGI

Triple Net Leases

- 20% deduction for pass-through entities and sole proprietorships only applies to a “trade or business”
- If taxpayer only owns one parcel of real estate, may not be a trade or business if it is a triple net lease
- Increase lease payment and amend lease to require landlord to pay taxes, insurance, and maintenance costs
- Net \$\$ to landlord can be the same

State Income Taxation of Trusts

- States tax trusts based on their **nexus** to the state.
- If the trust is a nongrantor resident trust, then it will be subject to tax on all of the undistributed income.
- States treat a trust as a resident trust based on one or more of the following:
 - If the trust was created by a Will of a resident
 - If person creating trust, or contributing assets to the trust, was a resident of the state
 - If the trust is administered in the state
 - If a Trustee is a resident of the state or does business in the state
 - If a beneficiary lives in the state
- If the trust is a **nonresident** trust, then only **source income** will be taxable in the state.

State Income Taxation of Trusts

- It is possible for a trust to be subject to state income tax in multiple states or a trust may not be subject to state income tax in any state.

- Carefully analyze the state taxation of irrevocable nongrantor trusts.

- Depending on applicable state law, could be beneficial to:
 - Change trustees
 - Appoint additional trustees
 - Divide the trust into separate trusts for each beneficiary

Avoiding State Taxation of An Individual's Income

- Two Options:
 - Move to a state with no income tax;
or
 - Create ING Trust (only works in certain states)
- When INGs make sense:
 - Expecting a large liquidity event
 - Substantial state income tax liability on a regular basis

Incomplete Gift, Non-Grantor Trusts (INGs)

1. Create the trust in a state with no income tax and a domestic asset protection trust statute (now 16 DAPT states)
 - Options: Alaska, Nevada, New Hampshire (has income tax but not applicable if nonresident beneficiaries), South Dakota, Wyoming, and Delaware (has income tax but trusts receive a deduction for income accumulated for a nonresident beneficiary)
 - If creditor of grantor could recover from the trust, then it is a grantor trust. Treas. Reg. § 1.677(a)-1(d)
 - **Alternative**: Client creates a trust for his/her spouse and client is not a current beneficiary (then trust does not need to be created in a DAPT state)

2. Client (grantor of trust) must live in a state with the “right” kind of resident trust definition.
 - Where INGs may work (states where resident trust status is based on having an in-state Trustee or trust administration): Arizona, California, Colorado, Hawaii, Idaho, Indiana, Kansas, Kentucky, Louisiana, Massachusetts, Mississippi, Montana, New Jersey (Instructions to 2016 Form NJ-1041 at 1), New Mexico, Oregon, South Carolina, Utah ...
 - New York: No longer works in New York due to a throw back tax enacted in 2014. NY Tax Law § 612(b)(41). Income generated by ING Trust created by NY resident will be taxed to NY resident as if it was a grantor trust.
 - Nenno, 869 T.M., State Income Taxation of Trusts (excellent resource on state income taxes)

■ Missouri ING Trusts

- Can work for Missouri residents if client is willing to not be an “income beneficiary” during years he/she wants to avoid Missouri taxes (can retain the ability to receive distributions through a third party’s limited power of appointment or trust protector’s amendment)

INGs

3. ING Trust must be structured to avoid resident trust status in grantor's state of residence by naming a Trustee in the ING Trust state and administering the trust in the ING Trust state (thereby avoiding nexus to grantor's resident state).
4. This only works with intangible property. Source income (real estate income, tangible property income, in-state business income) is taxed to a state even if not a resident.
5. Only works for accumulated income – distributions to a beneficiary of ordinary income that carry out DNI will usually be taxed in the beneficiary's resident state.

6. Transfers to the trust by the grantor/beneficiary must be treated as an incomplete gift.
 - Grantor retains:
 - A testamentary power of appointment and
 - CCA 201208026 calls into question Treas. Reg. §25.2511-2(b) – no longer safe to rely only on testamentary power of appointment. Transfer to trust is an incomplete gift only as to the remainder if anyone other than the grantor is a current beneficiary.
 - An inter vivos power of appointment.
7. The trust cannot be treated as a grantor trust under IRC §671-679.
 - Distributions can only be made with the consent of an adverse party (beneficiaries of the trust other than the Grantor). IRC § 677(a).

Private Letter Rulings

- Non-grantor trust
- Incomplete gift by grantor
- Distributions to grantor are not a completed gift
- Distribution committee members do not make gifts upon making distributions to a beneficiary other than the grantor (i.e., committee members do not have general powers of appointment)
- See Appendix for a non-comprehensive list of the ING Trust PLRs

States That Present Planning Opportunities

- If a Trust is paying state income taxes in one of these states, you may be able to avoid it with the right planning:
 - Arizona
 - California
 - Colorado
 - Hawaii
 - Idaho
 - Indiana
 - Kansas
 - Kentucky
 - Louisiana
 - Massachusetts
 - Mississippi
 - Missouri (if Missouri resident is not an “income beneficiary”)
 - Montana
 - New Jersey
 - New Mexico
 - Oregon
 - South Carolina
 - Utah

Do INGs Work?

- PLRs on federal tax consequences, but...
- State income tax authority?
 - State tax authorities could apply step transaction or substance over form doctrine
 - Avoid funding ING trusts with assets likely to be sold shortly after creation of trust
 - Fund with excess assets not likely to be needed
- For resident trust statutes, when will a trust protector or advisor be considered a “Trustee”

Appendix

- State Resident Trust Definitions for Arkansas, California, Illinois, Kansas, Missouri, Nebraska, New York, Oklahoma, North Carolina, Pennsylvania
- Caselaw on Resident Trust Definitions
- ING Trust PLRs

Selected State Resident Trust Definitions

■ Arkansas

- Arkansas Code § 26-51-201(a) & (b)
 - A tax is imposed on the entire income of every trust ... but
 - No state income tax shall be due Arkansas from a trust or estate created by a nonresident donor, trustor, or settlor, or by a nonresident testator even though administered by a resident trustee or personal representative except on income derived from [land, tangible personal property, or an unincorporated business located in Arkansas]
- Highest Rate: 6.9%
- If trust was created by an Arkansas resident, will be subject to Arkansas tax forever.

Selected State Resident Trust Definitions

■ California

- California Revenue & Taxation Code §17742(a)
 - Income of a trust is taxable to the trust.
 - Tax applies to the entire taxable income of a trust if the fiduciary or noncontingent beneficiary is a resident, regardless of the residence of the settlor.
- Highest Rate: 13.30%

Selected State Resident Trust Definitions

■ California

- Trust with multiple trustees: California Revenue & Taxation Code § 17743
 - Income of the trust is apportioned according to the number of fiduciaries resident in California, pursuant to the rules and regulations prescribed by the Franchise Tax Board.
- Trust with multiple beneficiaries: California Revenue & Taxation Code §17744
 - Income is apportioned according to the number and interest of the beneficiaries resident in California.

Selected State Resident Trust Definitions

■ Illinois

- 35 ILCS 5/1501(a)(20)(B), (C), & (D)
- A “resident” trust:
 - A trust created by a Will of a decedent who at his/her death was domiciled in Illinois, and
 - An irrevocable trust, the grantor of which was domiciled in Illinois at the time such trust became irrevocable. A trust shall be considered irrevocable to the extent that the grantor is not treated as the owner thereof under IRC §§671 through 678.
 - If trust was created by Illinois resident, will be subject to Illinois tax forever – but statute is unconstitutional as applied to certain trusts.
- Highest Rate: 3.75%

Selected State Resident Trust Definitions

■ Illinois

- Linn v. Dep't of Revenue, 2013 IL App (4th)121055 (2013)
 - Trust created by Illinois resident in 1961.
 - In 2002, the Trustee exercised a power to distribute the trust assets to a new trust to be administered under Texas law (certain provisions of the trust were to be interpreted under Illinois law).
 - The Texas Trust was modified by a Texas court to remove all references to Illinois law, and the trustee then filed the 2006 Illinois return as a nonresident.
 - At that time there was no Illinois Trustee, beneficiary, or trust assets.
 - Court held that Illinois taxation of the trust was unconstitutional.

Selected State Resident Trust Definitions

■ Kansas

- Kansas Code §79-32, 109
 - “Resident trust” means a trust which is administered in Kansas. A trust shall not be deemed to be administered in Kansas solely because it is subject to the jurisdiction of a district court within this state.
- Highest Rate: 4.6%

Selected State Resident Trust Definitions

■ Missouri

- Mo. Rev. Stat. § 143.331

- A “resident estate or trust” means a trust that:

(1)

- Was created by Will of a decedent who at his/her death was domiciled in Missouri; and
- Has at least one income beneficiary who, on the last day of the taxable year, was a resident of Missouri; or

(2)

- Was created by, or consisting of property of, a person domiciled in Missouri on the date the trust became irrevocable; and
- Has at least one income beneficiary who, on the last day of the taxable year, was a resident of Missouri.

- Highest Rate: 6.0%

Selected State Resident Trust Definitions

■ Nebraska

- Neb. Rev. Stat. §77-2714.01(6); Reg-23-001
 - A resident trust includes:
 - A trust which consists of property transferred by the Will of a decedent who, at his/her death, was domiciled in Nebraska.
 - A trust which was created by or consists of property of a person domiciled in Nebraska at the time the trust became irrevocable .
 - If the settlor of a trust is domiciled in Nebraska when the trust becomes irrevocable, the trust will be considered a resident trust for the entire life of the trust. Such a trust is a resident trust even though the situs of the trust, property held in trust, or the trustee are located in another state.
- Highest Rate: 6.84%
- If trust was created by Nebraska resident, will be subject to Nebraska tax forever.

Selected State Resident Trust Definitions

■ New York State

- New York Tax Law §605(b)(3)
 - Resident trust means:
 - A trust consisting of property transferred by will of a decedent who was domiciled in New York at his death, or
 - A trust consisting of the property of (i) a person domiciled in New York at the time the property was transferred to the trust, if the trust was then irrevocable; or (ii) a person domiciled in New York at the time such trust became irrevocable.
- Highest Rate: 8.82%

Selected State Resident Trust Definitions

■ New York City

- New York Tax Law §1305(c)
 - City resident trust means:
 - The estate of a decedent who was domiciled in New York City at his/her death,
 - A trust (or portion of a trust) consisting of property transferred by will of a decedent who was domiciled in New York City at his/her death, or
 - A trust (or portion of a trust) consisting of the property of (i) a person domiciled in New York City at the time the property was transferred to the trust, if the trust was then irrevocable; or (ii) a person domiciled in New York City at the time such trust became irrevocable.
- Highest Rate: 3.876%

Selected State Resident Trust Definitions

■ Oklahoma

- Oklahoma Code § 68-2353.6
 - Resident trust means:
 - A trust consisting of property transferred by Will of a decedent domiciled in Oklahoma at his/her death, or
 - A trust consisting of property of (i) a person domiciled in Oklahoma at the time such property was transferred to the trust if such trust was then irrevocable or (ii) a person domiciled in this state at the time such trust became irrevocable.
- Highest Rate: 5.0%
- If trust was created by Oklahoma resident, will be subject to Oklahoma tax forever.

Selected State Resident Trust Definitions

■ North Carolina

- N.C. General Statute §105-160.2. Effective for taxable years beginning on or after January 1, 2014.
- The tax is computed on the amount of the taxable income of the trust that is for the benefit of a resident of this state.

Selected State Resident Trust Definitions

■ North Carolina

- Kaestner 1992 Family Trust v. North Carolina Department of Revenue, 12 CVS 8740 (N.C. 2015)
- The beneficiary's residence, standing alone, was not a sufficient contact to support treating the trust as a resident trust.
- New York resident created trust for his descendants with a New York trustee. In 1997 one of the beneficiaries moved to North Carolina.
- The trust had no connection or activity in North Carolina.
- To determine nexus, court analyzed the activities of the Trust through the actions of the trustee (beneficiaries contacts with North Carolina are irrelevant).
- Court held that North Carolina income taxation of trust was unconstitutional.

Selected State Resident Trust Definitions

■ Pennsylvania

- 72 P.S. §7301(s)
 - Resident trust means:
 - A trust created by the Will of a decedent who at the time of his/her death was a resident individual; and
 - A trust created by, or consisting in whole or in part of property transferred to a trust by, a person who at the time of such creation or transfer was a resident of Pennsylvania.
- Highest Rate: 3.07%
- If trust was created by Pennsylvania resident, will be subject to Pennsylvania tax forever.

Selected State Resident Trust Definitions

■ Pennsylvania

- McNeil v. Commonwealth, 651 F.R. 2010, 173 F.R. 2011 (May 24, 2013)
 - Trusts created by Pennsylvania resident with Pennsylvania discretionary beneficiaries. Trustees were not required to make distributions of income or principal; beneficiaries had no current or future right to the Trusts' income or assets.
 - Trusts were governed by Delaware law and administered in Delaware by a Delaware corporate Trustee (Wilmington Trust Company) who had no offices, and conducted no affairs in Pennsylvania.
 - Was no source income to Pennsylvania.
 - Court found that imposition of Pennsylvania income tax was unconstitutional.

Cases on Constitutionality of State Resident Trust Statutes

- **Caselaw in Connecticut, Illinois, Michigan, Missouri, New Jersey, New York, and Pennsylvania.**

- Cases finding taxation of trust **constitutional** under state definition of resident trust:
 - District of Columbia v. Chase Manhattan Bank, 689 A.2d. 539 (D.C. App. 1997).
 - Chase Manhattan Bank v. Gavin, 733 A. 2d. 782 (Conn. 1999).
 - Westfall v. Director of Revenue, 812 S.W.2d 513 (Mo. 1991).

Cases on Constitutionality of State Resident Trust Statutes

- Cases Finding State Resident Trust Definition **Unconstitutional** under State Definition of Resident Trust:
 - Mercantile-Safe Deposit & Trust Co. v. Murphy, 242 N.Y.S.2d 26 (N.Y. App. Div. 1963), aff'd, 15 N.Y.S. 2d 579 (1964).
 - Pennoyer. v. Tax Div. Director, 5 N.J. Tax 386 (1983).
 - Potter v. Tax Div. Director, 5 N.J. Tax 399 (1983).
 - In re Swift, 727 S.W.2d 880 (Mo. 1987).

Cases on Constitutionality of State Resident Trust Statutes

- Blue v. Department of Treasury, 462 N.W.2d 762 (Mich. Ct. App.1990).
- Linn v. Dep't of Revenue, 2013 IL App (4th)121055 (2013).
- McNeil v. Commonwealth of Pennsylvania, 651 F.R. 2010, 173 F.R. 2011 (PA Commonwealth, May 24, 2013).
- Kaestner 1992 Family Trust v. North Carolina Department of Revenue, 12 CVS 8740 (N.C. 2015).

ING PLRs

■ PLRs blessing ING Trusts:

- Early rulings (prior to IR-2007-127 where IRS stated they were reconsidering their gift tax position): 200148028, 200247013, 200502014, 200612002, 200637025, 200647001, 200715005,
- 200729025, 200731019
- 201310002 to 201310006
- 201410001 to 201410010 , 201427008, 201427010 to 201427015, 201430003 to 201430007,
- 201436008 to 201436014, 201436018, 201436024 to 201436032, 201440008 to 201440012
- 201510001 to 201510008 (guardians for minors on committee)
- 201613007, 201636027 to 201636032, 20165005.
- 201642019 revokes 201426014. Distribution committee consisting of beneficiaries – if grantor’s children ceased to be committee members or if there were ever less than two committee members, then trust terminated and all property was to be distributed to the grantor.
 - 201642019 determines this to be a reversion under IRC § 673.
- Community property ING Trusts: 201550005, 201653001 to 201653009
- 2017: 201718003 to 201718010, 201718012

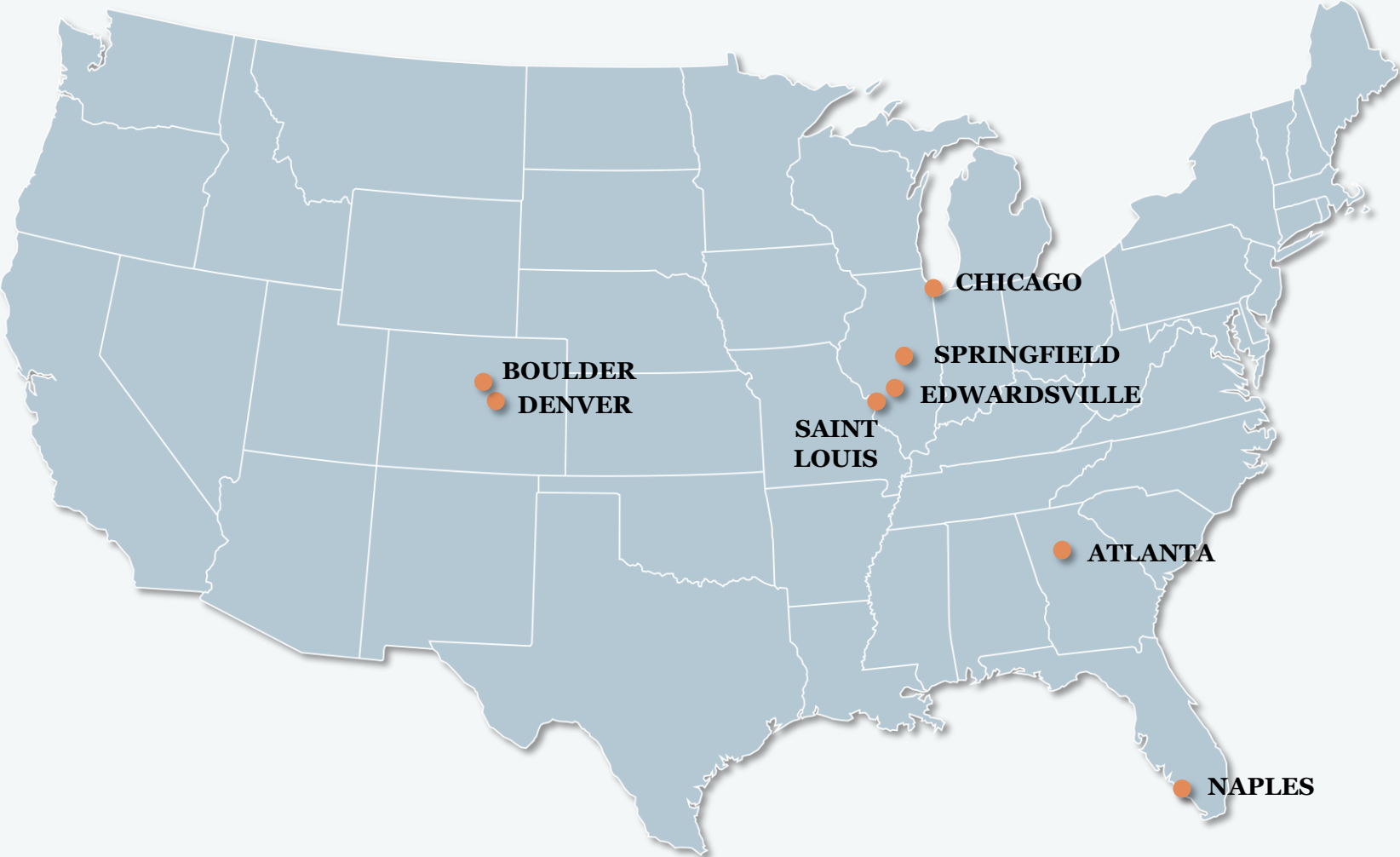
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