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## ESTATE PLANNING AND THE 2020 ELECTION

Election Day is around the corner. Federal gift and estate tax exemptions are at an all-time high and interest rates are historically low. Many commentators believe that there will be no major changes to federal gift and estate tax laws as long as Republicans control any of the White House, Senate or House of Representatives. But what happens if the Democrats sweep all three? You may want to review your estate planning alternatives now and be ready to implement any changes before the end of the year.

The most likely consequence of a Democratic sweep would be a reduction in the current federal gift and estate tax exemption of \$11.58M (or twice this amount for married couples). Other proposed legislation could put an end to certain types of Grantor-Retained Annuity Trusts, or "GRATs" (in particular,

short-term, zeroed-out GRATs), and to the tax benefits of making transfers to irrevocable grantor trusts.

Do these possible changes in the tax law mean that everyone should be doing something now to prepare? No—each client's situation is unique, and you may not need to do anything at all. Gifts are irrevocable, and every client who considers making gifts in 2020 must feel comfortable with the results. Your advisors at Wiggin and Dana can help make tailored recommendations that best fit your situation. You can then await the results of the election to determine whether or not to implement any revisions to your estate plan.

For those clients who would like more information about the year-end planning techniques that are under consideration, please see below:

▶ Making Gifts

▶ SLATs—Spousal Lifetime Access Trusts

▶ Dynasty Trusts

▶ GRATs—Grantor Retained Annuity Trusts

▶ Intrafamily Loans

▶ Sales to Grantor Trusts

▶ Charitable Contribution Deductions