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Louis A. Mezzullo

Mary Ann Mancini

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ESTATE PLANNING FOR THE SUCCESSFUL REAL ESTATE ENTREPRENEUR

Louis A. Mezzullo
Mary Ann Mancini

I. Definition of a Successful Real Estate Entrepreneur

- A. A large estate with little or no liquidity.
- B. The children may or may not be interested in the real estate business.
- C. Spouse usually not involved in the real estate business, but dependent on the income of the business.

II. Life Cycle of the Estate Plan

- A. Starting the Estate Plan
 - 1. Asset Restructuring:
 - a. Are they in the proper entity and owned by the correct owner?
 - b. What are the tax consequences of restructuring.
 - 2. Document Review and Revision: Particular issues for the Real Estate Entrepreneur
- B. Planning for Life Time Gifting
 - 1. FLPs and LLCs and the Gift tax.
 - 2. Planning for the donees: creditor issues, control, fair vs. equal and other issues.
 - 3. Planning for the donor: issues of control, concern about wealth and the need for a large financial statement.
 - 4. Gifting techniques vs. Sale techniques
- C. Business Succession Planning.
- D. Planning for Estate Taxes
 - 1. FLPs and LLCs and Estate tax issues.
 - 2. Planning for the payment of the Estate Tax
 - a. Graegin notes and other borrowing techniques.
 - b. Section 6166.
 - c. Insurance Trusts.

III. Conclusion