

PREDICTING NEEDS AND RESOURCES IS DIFFICULT



IT'S IMPOSSIBLE TO PREDICT THE FUTURE, BUT YOUR PLANNING AND RESOURCES CAN BE POSITIONED TO ADAPT TO THE FUTURE. LIFE INSURANCE CAN HELP IN WAYS YOU'VE NEVER IMAGINED.

CHANGES IN TAX ENVIRONMENT

How you're taxed • When you're taxed • How much you're taxed • Basis regime • Triggers

Tax laws are constantly in flux creating risk in many irrevocable, long term planning decisions. Changes may threaten the financial security of your family and business.

FAMILY DYNAMICS

Number of family members • Relationship with family • Participation of family in business • Age, financial independence, and responsibility of children • Special needs • Divorce/Remarriage

Families often struggle to discuss wealth. It's difficult to predict family relationships, how your children will turn out, or their engagement with a family business. Divorce or remarriage can strain relationships or create planning challenges.

ASSET COMPOSITION

Business • Real estate • Liquid/illiquid assets • Emotionally illiquid assets • Asset growth • Charitable gifting • Asset control desires

Giving up asset control irrevocably, especially of a business, to achieve estate efficiency is a major psychological hurdle for most people. New opportunities or laws may lead to changes in your asset mix. Risk tolerance will change as well.

ECONOMIC ENVIRONMENT

Business valuation • Equity market/bond performance • Capital access • Real estate market

The economic environment can spur growth in taxable estates over time, but it can remove choices too via forced asset sales at suppressed values, restricted capital access, or creation of disproportionate inheritances.