A GUIDE FOR ULTRA-HIGH-NET-WORTH FAMILIES

Protecting What You've Built: Estate Tax Planning

Every family I work with has built something worth protecting. Left unaddressed, estate taxes can quietly claim a meaningful share of a legacy meant for the people you love. Here's where things stand today, and the strategies I turn to most often to help families keep more of what they've built.

KEY FEDERAL ESTATE TAX FACTS — 2026

— **Exemption Amount:** Individuals can pass $15 million tax-free in 2026, indexed annually for inflation. Married couples can combine exemptions for $30 million tax-free.

— **Top Tax Rate:** Amounts above the exemption are taxed at a flat federal rate of 40%.

— **Permanence:** The exemption increase once scheduled to expire at the end of 2025 was made permanent by the 2025 federal tax law. Barring future legislative change, today's higher exemption is the new baseline — not a temporary window.

— **Unlimited Marital Deduction:** You may pass any amount of wealth to a U.S. citizen spouse entirely free of federal estate tax.

CORE STRATEGIES TO REDUCE ESTATE TAXES

Lifetime Gifting

— **Annual Exclusion:** Give up to $19,000 per year, per recipient, to as many people as you like — without touching your lifetime exemption.

— **Direct Payments:** Tuition and medical costs paid directly to the school or provider don't count against any gift limit, annual or lifetime.

Irrevocable Trusts

— **SLATs:** A Spousal Lifetime Access Trust locks in today's exemption by gifting assets out of your estate, while your spouse retains indirect access.

— **ILITs:** An Irrevocable Life Insurance Trust keeps insurance proceeds outside your taxable estate, so heirs receive the full benefit.

— **GRATs:** A Grantor Retained Annuity Trust transfers fast-growing assets to family with minimal gift tax cost.

Charitable Giving

— **CRTs:** A Charitable Remainder Trust provides you an income stream now, with the remainder passing to charity later.

— **CLTs:** A Charitable Lead Trust gives income to charity for a set term, then passes the remainder to family at reduced tax cost.

Business & Asset Valuation

— **FLPs:** A Family Limited Partnership holding business shares or real estate can allow minority-stake gifts at a discounted value, reflecting their lack of marketability and control.

YOUR NEXT STEPS

1. Review your current net worth and project its growth over the next decade.
2. Revisit your existing wills and trusts to confirm they reflect today's exemption levels.
3. Coordinate with your CPA and estate attorney before making any significant gift.

SHARON'S TAKE

None of this requires a decision today. It requires a starting point — your approximate net worth, your marital status, and whether you hold a business or significant real estate. Share those three things at your next review, and I'll help tailor the specific strategies and talking points to your family's situation.

— Sharon Hayut, Private Wealth Advisory · [firm phone] · [firm email]

IMPORTANT DISCLOSURES

This material has been prepared by Sharon Hayut for informational and educational purposes only and does not constitute individualized legal, tax, or estate planning advice. Federal estate, gift, and generation-skipping transfer tax figures cited reflect 2026 IRS guidance as of this writing and are subject to change through future legislation or inflation adjustment; state estate or inheritance taxes, where applicable, are not addressed in this guide.

Every family's circumstances are unique. Please consult a qualified estate planning attorney and CPA before implementing any strategy referenced herein, including gifting, trust, or entity-valuation strategies. [Firm Name] is a registered investment advisor; registration does not imply a certain level of skill or training. Additional information is available in its Form ADV Part 2, available upon request or at adviserinfo.sec.gov.