



Dynasty Trust:

Woman, age 64, had a \$912,000 IRA that was the result of rolling over her deceased husband's IRA of \$766,000 into hers.

She knew of the law of Income in Respect of Decedent and had other substantial assets and understood that 80% of her IRA would be lost to taxes before her children inherited it.

The Solution:

The broker had her cash out the IRA and had the taxes of \$310,000 withheld.

With the remaining \$602,000 he formed a SPLIT that insured this woman for \$4,400,000 with the proceeds being paid to a Dynasty Trust where the principal would be untaxed for 2 generations + 21 years (approximately 100 years).

The heirs will receive a 7% interest payment every year for approximately 100 years following her death.

\$308,000 a year for 100 years means that she will have turned a \$912,000 IRA that would have been worth \$182,400 after taxes into a \$30,800,000 family legacy.