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*Since 1997*

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**APRIL 2020 NEWSLETTER**

We Are Open For Business

Governor Northam has declared that law firms may remain open for business. Especially considering the nature of our practice, we owe it to our clients to remain available. We want our clients to know that we are prioritizing your health and well-being. We understand the anxiety and concern that many of you are feeling, and we are committed to assisting you. Our office is fully functioning, and we are able and eager to help you navigate the current environment and address any concerns you have. We are available to new and existing clients to undertake and discuss estate planning, probate and estate and trust administration, pre-and post-nuptial agreements, asset protection planning, and other estate planning strategies. We have generally suspended in-person meetings at our office, but we are conducting phone and video conferences. When in-person meetings are necessary, namely when clients want to sign estate planning documents, we are able to accommodate such requests. Many estate planning documents need to be witnessed and notarized in order to be valid, so we have developed a protocol for clients to sign their documents that ensures both your own safety and ours. Clients park outside of our office and sign their documents in their car while we watch. We then witness and notarize the documents as necessary. These unique circumstances have forced us to get creative, but we have found clients are comfortable with this approach.

Opportunities To Consider In This Economic Environment

For those clients in a financial position and of a frame of mind to consider the upside of depressed asset values and historically low interest rates in a volatile political and economic environment, there are significant estate tax planning opportunities we feel duty-bound to bring to your attention in a timely fashion. We can discuss with you the following opportunities:

- very low interest intra-family loans, including mortgage/deed of trust loans; existing loans may also be restructured
- outright gifts of assets with depressed values to children and/or grandchildren
- gifts of assets with depressed values to trusts for the benefit of children and/or grandchildren

- Grantor Retained Annuity Trusts (GRATs) for the benefit of children for assets with depressed current values likely to appreciate
- Spousal Lifetime Access Trusts (SLATs) for gifts to spouses
- gifts to Intentionally Defective Grantor Trusts (IDGTs) for the benefit of children and/or grandchildren; swapping out low-basis IDGT assets
- fractional interest valuation discounts while they last
- Charitable Lead Annuity Trusts (CLATs)
- Roth conversions for IRAs with securities at depressed current values

### Future Of Estate Tax Exemption

It is sufficient for the moment to note that the quickly burgeoning federal deficit resulting from the Covid-19 pandemic-related government financial assistance programs to individuals and businesses, coupled with the anticipated drop in tax revenue, make tax increases seem almost inevitable, especially if the Democrats take the Presidency and Senate, but maybe even if they do not. The recently doubled estate tax exemption is an obvious first target. Sometime later this spring or early summer we will publish a comprehensive newsletter which will provide a detailed update on the current transfer tax system and possible future changes to these tax laws, highlighting estate planning and tax planning opportunities available in a low interest rate/depressed asset value environment, summarizing the important provisions of the Secure Act, and discussing a few other particular areas of interest. Please be on the lookout for this newsletter. In the short term, we simply wanted to let you know we are available to assist our clients as you navigate these uncertain and challenging times. Please stay safe.