

# ADVISOR TRAINING MINISTRY

## COURSE NUMBER: PTS 500

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**ADVISOR TRAINING MINISTRY**  
**COURSE NUMBER: PTS 500**

**The Four Key Estate Planning Techniques  
In Stewardship Planning**



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**“Simplicity is always to be preferred  
over complexity, unless it costs too much.”**



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# I. Compression Techniques

(Making Things Smaller)

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# I. Compression Techniques (Making Things Smaller)

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- a. Reduce asset values
- b. The reasons for using compression tools
  - i. Reduce tax cost on asset transfer
  - ii. Reduce the time period required to pass assets on to heirs tax free



# I. Compression Techniques (Making Things Smaller)

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## c. Compression Tools

- i. Family Limited Partnership
- ii. Limited Liability Company
- iii. Grantor Retained Annuity Trust
- iv. Qualified Personal Residence Trust
- v. Charitable Lead Trust



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# II. Freezing Techniques

(Keeping Things the Same)

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## II. Freezing Techniques (Keeping Things the Same)

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- a. Deflect future growth of assets
- b. The reasons for using freezing tools
  - i. Stop additional taxation on asset growth upon transfer
  - ii. Stop value of what was intended to be gifted



## II. Freezing Techniques (Keeping Things the Same)

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### c. Freezing Tools

- i. Grantor Retained Annuity Trust
- ii. Intentionally Defective Grantor Trust
- iii. Charitable Lead Trust
- iv. Promissory Note/Private Annuity on sale of appreciating asset



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# III. Leveraging Techniques

(Making Things Bigger)

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### III. Leveraging Techniques (Making Things Bigger)

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- a. Create additional net worth
- b. The reason for using leveraging tools
  - i. Discount estate taxes
  - ii. Wealth replacement



# III. Leveraging Techniques (Making Things Bigger)

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- c. Leverage Tools
  - i. Life Insurance



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# **IV. Charitable Techniques**

## **(Giving Things Away)**

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## IV. Charitable Techniques (Giving Things Away)

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- a. Deploy assets to the Kingdom/Charity



## IV. Charitable Techniques (Giving Things Away)

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### b. The reasons for using charitable tools

#### i. Tax Benefits

1. To avoid capital gains taxes – keeping more (no shrinkage)
2. Get current tax savings for future gifts – more cash in hand

#### ii. Charitable Benefits

1. Supporting causes you believe in
2. Sustaining your current giving for generations to come



## IV. Charitable Techniques (Giving Things Away)

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### c. Charitable Tools

- i. Charitable Remainder Trust
- ii. Charitable Lead Trust
- iii. Pooled Income Fund
- iv. Life Estate Agreement



# Examples of Combining the

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## Four Stewardship Planning Techniques

- I. Compression Planning/Charitable Planning - LLC with a CLT



# Examples of Combining the

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## Four Stewardship Planning Techniques

2. Charitable Planning/Leverage Planning - CRT with a ILIT



# Examples of Combining the

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## Four Stewardship Planning Techniques

3. Compression Planning/Leverage Planning - IDGT with Life Insurance



# Examples of Combining the

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## Four Stewardship Planning Techniques

4. Compression Planning/Leverage Planning/Charitable Planning - LLC with ILIT and a PIF



**Now you can see why and how making things bigger, smaller, the same, or giving them away optimizes the stewardship planning outcomes for your clients!**

