



National Association of Estate Planners & Councils

NAEPC ALERT

This resource is brought to you by the National Association of Estate Planners & Councils and the Multi-Disciplinary Teaming Committee. For more teaming-based resources, visit www.naepc.org/home/teaming.

Dear Member,

As you know the Tax Cut and Jobs Act of 2017 (Act) was recently enacted. Not only does this create new challenges for you and your clients, it also creates new opportunities. The Act changes traditional planning in many ways (e.g. corporate tax rates lower than individual tax rates) and creates entirely new concepts (e.g. the Sec. 199A 20% deduction for pass-through entities). No single discipline has the expertise about each facet of the new tax law and its implications to adequately address all the concerns that clients will have. With this in mind, we want to remind you of the importance of multi-disciplinary teaming and the resources that NAEPC has made available to you.

Please review the two attachments to this communication.

- A sample letter you can customize to your liking to send to your clients to encourage them to come into your office to discuss recent changes and to initiate a discussion about collaboration among professionals.
- A short brochure you can include in your letter to clients or use in your office to help educate and encourage your clients to authorize you to team with their other advisors.

We encourage you to take the initiative NOW to provide thought leadership to your clients.

Sincerely,

The National Association of Estate Planners & Councils Board of Directors and
Multi-Disciplinary Teaming Committee

National Association of
Estate Planners & Councils

The Association of Choice for Estate Planning Professionals

1120 Chester Ave., Ste. 470
Cleveland, OH 44114
866-226-2224
admin@naepc.org
www.NAEPC.org

SAMPLE MESSAGE TO CLIENTS

Dear Client,

On December 22, 2017 the President signed a sweeping tax reform bill. It addresses a wide range of categories including:

Corporate and Business	Individual Taxes
Pass-through Entities	Estates, Gifts and Trusts
International	Tax-exempt Organizations
Compensation and Benefits	Other Excise Taxes

How will these things affect you and your planning? The new tax law changes many long-time planning constructs, consider:

- Most itemized deductions have been eliminated, including state and local tax deductions beyond \$10,000 annually. This affects tax planning, investment planning and more.
- Charitable donations may not provide a deduction any longer without more planning. This can affect tax returns, estate planning, and investments.
- The estate tax exemption has doubled (but will revert to prior levels in 2025) changing estate planning. This can affect estate planning, retirement planning, gift planning and more.
- After 2018 divorce planning will change dramatically as alimony for new divorces will not be deductible. This can affect the guidance every adviser may give you.
- The format for conducting business (contractor versus employee, pass-through entity versus C corporation), etc. may all change. This can affect what your business lawyer, CPA and other advisers must guide you about.

We should talk about this for two important reasons.

First, you will have more peace of mind knowing more about how this all matters to you. Second, we can begin to make any changes required to maximize your personal benefits.

I have also enclosed a brochure describing the benefits and process of professional teaming. Now, more than ever, I believe it is timely for us to talk about why and how this can work for you this year. Here is a quote from a colleague that is relevant.

“Most wealthy people I meet tell me they have a team of advisors they work with, yet I have almost never seen this to be the case. Usually they have a separate group of advisors that the client doesn’t let work as a team, due to a fear of cost. Even if the client did encourage them to work as a team, most advisors don’t know how to, because most of their other clients don’t allow it due to the same fear of cost. The client often plays the role of telephone operator passing ideas between their advisors, perhaps playing the role of ‘Quarterback’ for their team. This is not the role for a client and it costs them plenty.”

Let’s discuss it. When can we find a time to talk? Someone from my office will call to schedule a time for us to meet in the near future.