

# ESTATE PLANNING

## *Matters*

Fall 2008



## OBAMA'S Valuation Discount PLANNING

**B**arack Obama was elected the next President of the United States. Throughout his presidential campaign, Mr. Obama espoused changes to the Federal Estate Tax Code as a major part of his administrative agenda. Although he has not offered a fully developed tax plan, he has hinted at several proposals that, while lacking in specifics, do indicate the direction he may be heading with his estate tax agenda.

While some of his agenda is favorable, such as potentially raising the exemption equivalent amount to \$3.5 million per person, the Obama plan may include legislative repeal of decades of friendly court decisions to eliminate valuation discounts for lack of marketability and minority interest in the family estate planning arena. These changes may be effective as soon as January 1, 2009. Today, through the use of well-respected planning techniques and valuation methods that have been around for years, many of our clients with taxable estates engage in planning to transfer assets to future generations at discounts of up to 50%. Thus, a parent wanting to shift \$1,000,000 in value, above the exemption amount, can, using time-tested planning techniques, do so at the discounted value of \$500,000, thereby saving himself \$225,000 (at the 45% estate tax rate). These figures do not even reflect the estate-freeze qualities acquired as future appreciation shifts, which can lead to savings many times greater than those initially derived from valuation discounting.

A window of opportunity exists to employ these powerful valuation principles. This window may likely close after 2008. If passed, such proposals would create

costly tax and non-tax problems, place unfair burdens on family and closely-held businesses, eliminate legitimate discounts created under state law, and penalize your clients when liquidity may be most needed. If you have any questions about these potential changes and how our planning techniques might benefit you and your clients, please contact our office.

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## **B** HAPPENINGS

Jeffrey L. Burr has been named Outstanding Volunteer Fundraiser by the Las Vegas Chapter of the Association of Fundraising Professionals. He was honored at their annual luncheon in November.

We are pleased to announce our Law Clerk, Jeremy Cooper, who is also a certified public accountant, passed the Nevada Bar Exam and has accepted a position as Associate Attorney with our law firm.

Attorney Robert Morris was recently published in the *Communiqué-Official Journal of the Clark County Bar Association*. His article titled "The Family Friendly Provisions of the Nevada Probate Code" was published in the November 2008 edition. A copy of the article may be found on our website at [www.jeffreyburr.com](http://www.jeffreyburr.com) in the Resources Section.

Attorneys David Grant and Robert Morris presented to a room of their peers at the Lorman Education Services seminar on "Accounting for Estates and Trusts in Nevada" on October 22, 2008.



## Jeremy K. Cooper

is an associate attorney at Jeffrey Burr, Ltd. Jeremy graduated with a Bachelor of Science in Accounting from Brigham Young University (BYU) (Cum Laude and Phi Kappa Phi) in 2001. Following the completion of his undergraduate studies, Jeremy continued his education at BYU and earned a Master's Degree in Accounting with an emphasis in Taxation in 2002.

After graduating from BYU, Jeremy worked as a senior associate with PricewaterhouseCoopers, LLP's (PwC) corporate tax group in Silicon Valley. During his time at PwC, Jeremy took and passed the Certified Public Accountant (CPA) exam. After spending several years in public accounting and becoming a licensed CPA, Jeremy returned home to Las Vegas, Nevada, to pursue his longtime goal of attending law school.

In 2008, Jeremy earned a Juris Doctorate (JD) Degree from the William S. Boyd School of Law at the University of Nevada, Las Vegas. While a JD candidate, Jeremy was selected to serve as a staff and senior staff member of the Nevada Law Journal. Jeremy began working as a law clerk for Jeffrey Burr after completing his first year of law school and has been employed by the firm ever since, during which time he has been able to assist in providing clients with a variety of valuable services in estate planning and related areas.

Jeremy is currently a member of the American Institute of Certified Public Accountants (AICPA) and the Southern Nevada Estate Planning Council. Jeremy speaks Spanish fluently as the result of having lived in Argentina for two years and his continued involvement with members of the Latin community through his church service during ensuing years.

Jeremy is also very proud of his longtime southern Nevadan ancestry and local ties to the community as a graduate of Ed W. Clark High School and a second generation Las Vegan.

*Please contact our office for more information on the topics discussed in this newsletter.*

**Bar Admissions:**  
Nevada

**CPA license:**  
California

**Education:**  
William S. Boyd School of Law, University of Nevada, Las Vegas, Las Vegas, Nevada, 2008

Juris Doctorate, Law Review: Nevada Law Journal  
Brigham Young University, Provo, Utah, 2002

Master's Degree in Accounting, Emphasis in Taxation  
Brigham Young University, Provo, Utah, 2001

Bachelor of Science in Accounting, Minor in International Studies, Cum Laude and Phi Kappa Phi

**Professional Associations and Memberships:**  
American Institute of Certified Public Accountants  
Southern Nevada Estate Planning Council

**Past Employment Activities:**  
PricewaterhouseCoopers, LLP, Senior Associate

**Languages:**  
Spanish

**Writings:**  
National Grand Prize Winner for Graduate Level Paper Essay Contest sponsored by American Association of Attorney-Certified Public Accountants: *Compare and Contrast the Similarities and Differences Between Retained Earnings as Calculated under Generally Accepted Accounting Principles and Earnings and Profits as Calculated for Federal Income Tax Purposes*

National Third Place Winner for Graduate Level Paper Essay Contest sponsored by Attorney-Certified Public Accountants: *Compare and Contrast SEC/PCABO and AICPA Rules and Philosophy on Independence for the Attestation Role including its Attribution to the Practice Entity and Other Professionals Therein.*

