



Risk & Insurance | Employee Benefits | Retirement & Private Wealth

Tax Optimization Strategies to Maximize Your Wealth

Presented by Jeff Sharp and Brett Berg





Jeff Sharp, JD, MBA, CFP[®], CPWA[®]



Jeff Sharp is the practice leader for HUB Private Wealth. As a nationally recognized wealth management pioneer, he has over 30 years of experience in wealth management, retirement planning, and wealth transfer strategies for individuals, families, and businesses.

He has held leadership roles in industry organizations, including the Omaha Estate Planning Council and Finesca. Jeff is a member of the Nebraska Bar Association, Financial Planning Association, and several other professional groups, bringing deep expertise in fiduciary planning and asset protection.



Brett Berg, JD*, LLM, CLU[®], ChFC[®]



Brett Berg is the Vice President of Advanced Marketing at Prudential Financial. With over 20 years of experience in estate and business planning, he helps financial services professionals address complex personal and business insurance needs.

He frequently speaks at industry events, including Forum 400 and LIMRA Advanced Sales Forum, and has been published in *National Underwriter* and *Broker World*. Before joining Prudential in 2011, Brett practiced law and held leadership roles in advanced markets at Fortune 100 insurance carriers.

**Not in the practice of law for Prudential.*

Agenda

1 Tax Policy Shifts

2 Estate Planning

3 Wealth Transfer Strategies

Understanding the 2025 Tax Landscape

- How the political climate may shape tax policy
- Key differences between 2016 and 2025
- Potential impact on estate, gift and GST exemptions



What's Changing?

Estate, Gift, & GST Tax Exemptions

- Current exemption levels: ~\$14M per person (\$28M per couple)
- Expected **temporary extension** with *future uncertainty*
- Implications if exemptions revert to pre-TCJA levels



Maximizing the Current Exemptions

Wealth Transfer Planning in 2025

- Strategic use of gifting and trust structures
- **Flexible** estate planning techniques to address future tax changes



Life Insurance & Estate Liquidity

The Role of Life Insurance in Wealth Preservation

- Providing liquidity for estate taxes
- Protecting assets while **maintaining flexibility**
- Tax-efficient wealth transfer solutions

Spousal Lifetime Access Trusts (SLATs)

Using SLATs for Wealth Preservation

Structuring SLATs for long-term planning

Incorporating life insurance for liquidity and flexibility

Preserving access while optimizing tax benefits



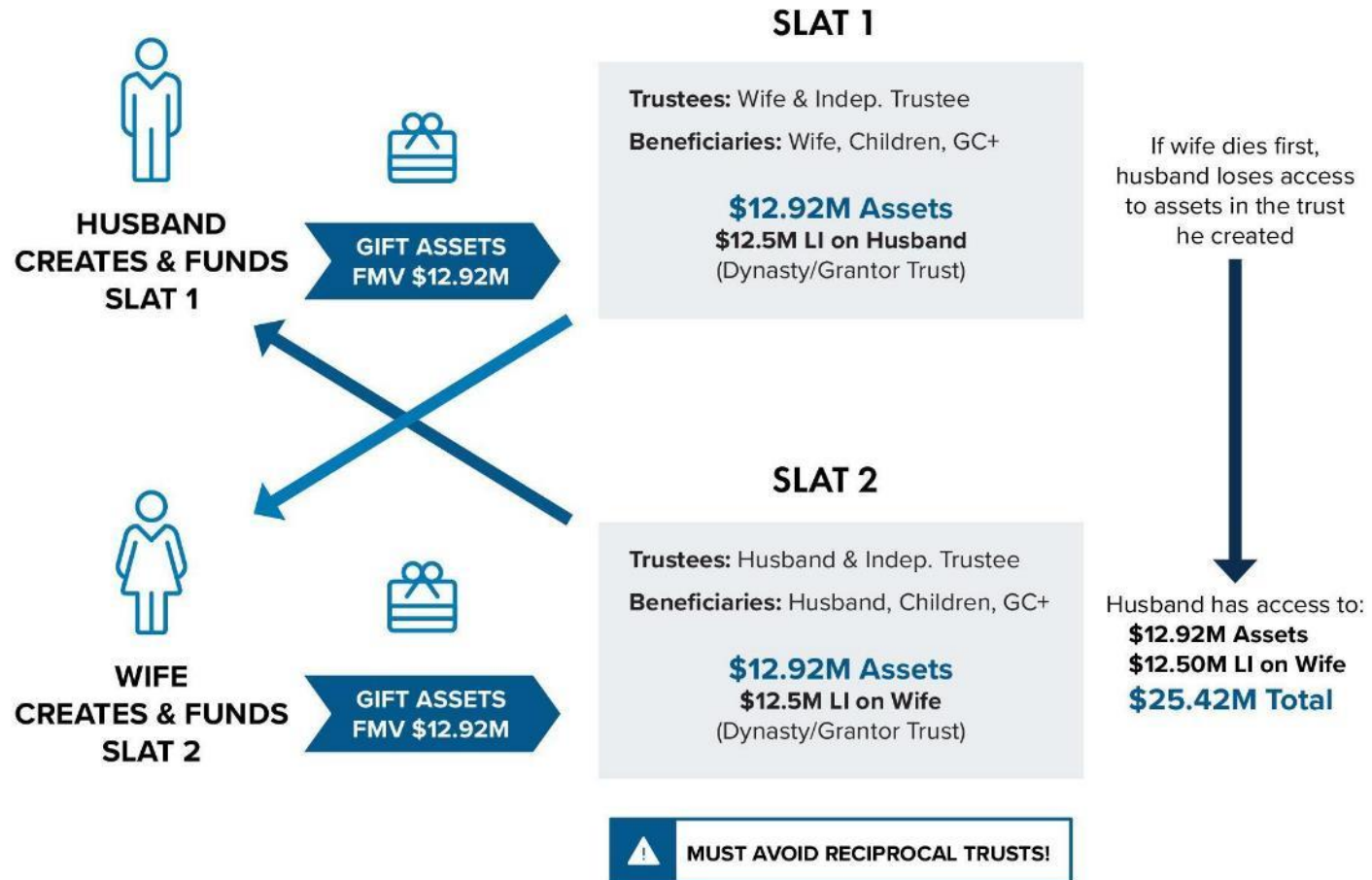
Tax Advantages of Life Insurance

Maximizing Tax Efficiency with Life Insurance

- Income tax-free death benefits (IRC §101(a))
- Tax-deferred growth of cash value (IRC §7702)
- Favorable policy loan and withdrawal treatment (IRC §72, §7702A)
- Protection for chronic and terminal illness (IRC §101(g))

Example: SLAT

Single Life Insurance in Each SLAT



CAUTION: Reciprocal Trust Doctrine

Current Rule

Where donors create reciprocal trusts that avoid estate taxes under the literal terms of the Internal Revenue Code but do not change the economic position of each donor with respect to the property, the trusts will be included in the estate of the donors at death

Two-Part Test

1. Are the trusts interrelated? And, if so,
2. Have the economic positions of the grantors been altered?



Expanding the Tax Planning Toolkit

Additional Wealth Planning Strategies

- Utilizing Intentionally Defective Grantor Trusts (IDGTs)
- Grantor Retained Annuity Trust (GRAT)
- Generation Skipping Trust (GST) planning
- Exploring funding methods: gifts, loans, and split-dollar arrangements
- Importance of qualified appraisals for valuation planning

Proactive Planning for 2025 and Beyond

01 Current tax laws present an opportunity for strategic wealth planning

02 Maximizing exemptions before potential sunset provisions

03 Importance of working with experienced advisors to navigate changes



Be Prepared for the Future

- Engage with legal and tax professionals to review planning opportunities
- Address uncertainties through flexible estate structures
- Early action is key to securing wealth for future generations

Be Prepared for the Future

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1085051-00001-00 Ed. 02/2025

Thank you

If you have questions regarding any of the topics addressed in this webinar, please fill out the exit survey and a HUB advisor will reach out to you.

