

Index

ABATEMENT

Wills, **4:418- 4:421**

ABSENCE OR PRESENCE

Medical power of attorney,
procedures in event of absence
of, **9:63**

ACCEPTANCE

Disclaimers. See index heading
DISCLAIMERS
Durable power of attorney, **9:45**
Trust, acceptance of
general discussion, **5:171- 5:176**
for detailed treatment see index
heading TRUSTS
Wills, acceptance of benefits, **4:529**

ACCOUNTANTS

Family limited partnerships,
importance of partnership CPA,
13:54

ACCOUNTING

Trusts
general discussion, **5:211- 5:236**
for detailed treatment see index
heading TRUSTS

ACCUMULATIONS

Income taxation of trusts and estates,
7:21
Retirement plans and planning,
8:228, 8:237
Trusts, **5:45, 5:239**

ACKNOWLEDGMENTS

Durable power of attorney, **9:17**

ADDICTION

Wills, **4:513**

ADDRESS, USE OF

Domicile, **1:80**

ADEMPTION

Wills, **4:422- 4:427**

ADJUSTED GROSS INCOME

General discussion, **7:9-7:13**
For detailed treatment see index
heading INCOME TAXATION OF
TRUSTS AND ESTATES

ADMINISTRATION

Elections, administration expenses,
15:92
Trusts
general discussion, **5:177- 5:271**
for detailed treatment see index
heading TRUSTS

ADMINISTRATIVE MATTERS

Income taxation of trusts and estates,
7:71
Information gathering and counseling
of client, **3:61**
Tax planning, **12:70, 12:300**
Wills
general discussion, **4:317- 4:338**
for detailed treatment see index
heading WILLS

ADOPTED CHILDREN

Wills, **4:123, 4:390- 4:393**

ADULT CHILDREN

Dispositive planning, **10:135**
Family limited partnerships (FLP),
13:41

ADVANCEMENTS

Wills, **4:412- 4:417**

ADVISORS

Information gathering and counseling
of client, **3:14-3:17**

AFTER-BORN OR PRETERMITED CHILDREN

Wills
general discussion, **4:384- 4:394**
for detailed treatment see index
heading WILLS

AGENTS AND AGENCY

Trusts, **5:114, 5:379**

AGE OF PERSON

Trusts, **5:344, 5:503**

Wills. See index heading **WILLS**

AGREEMENTS

See index heading **CONTRACTS AND AGREEMENTS**

ALCOHOLISM

Wills, **4:513**

ALIENS

Tax planning. See index heading **TAX PLANNING**

ALLOCATION

Federal transfer tax. See index heading **FEDERAL TRANSFER TAX SYSTEM**

Retirement plans. See index heading **RETIREMENT PLANS AND PLANNING**

Trusts. See index heading **TRUSTS**

ALLOWANCES

Dispositive planning, **10:168**

ALL SKIP PERSONS

GST exemption, **12:220**

ALTERATION

See index heading **MODIFICATION OR CHANGE**

ALTERNATE OR SUCCESSOR EXECUTORS

Wills, **4:155- 4:158**

ALTERNATE OR SUCCESSOR TRUSTEES

Wills, **4:201- 4:204**

ALTERNATE VALUATIONS

Elections, **15:101**

Federal transfer tax system, **6:157, 6:232**

ALTERNATIVE LIFESTYLES

Information gathering and counseling of client, **3:44**

AMBIGUOUS TERMS

Dispositive planning, **10:5**

Wills, **4:372- 4:374**

AMENDMENTS

Retirement plans. See index heading

RETIREMENT PLANS AND PLANNING

AMORTIZATION

Income taxation of trusts and estates, **7:13**

AMOUNT

Tax planning. See index heading **TAX PLANNING**

Texas transfer tax. See index heading **TEXAS TRANSFER TAX SYSTEM**

ANATOMICAL GIFTS

Lifetime planning, **9:95-9:98**

Wills, **4:310**

ANCILLARY TRUSTEES

General discussion, **5:430**

Wills, **4:199**

ANIMALS

Wills, **4:237**

ANNUAL EXCLUSION

Tax planning. See index heading **TAX PLANNING**

ANNUITIES

Dispositive planning
general discussion, **10:234-10:243**
for detailed treatment see index
heading **DISPOSITIVE PLANNING**

Income taxation of trusts and estates, **7:51-7:53**

Retirement plans and planning, **8:213**

ANNUITY TRUSTS

General discussion, **5:495, 5:498**

ANTENUPTIAL AGREEMENTS

Wills, **4:352**

ANTI-FREEZE PROVISION

Federal transfer tax system, **6:241**

ANTI-HARRISON RULE

Federal transfer tax system, **6:246**

ANTI-LAPSE RULE

Wills, **4:128, 4:129, 4:405, 4:406**

INDEX

APPEAL AND REVIEW

- Trusts, review of investments by trustee, **5:375**
- Wills, **4:530- 4:534**

APPRAISERS

- Family limited partnerships, **13:62**
- Federal transfer tax system, appraisal fees, **6:122**

ARBITRATION OR MEDIATION

- Dispositive planning, **10:15**
- Trusts, **5:458, 5:459**

ASSETS

- Family limited partnerships, suitability and sufficiency of assets, **13:30-13:38**
- Information gathering and counseling of client
 - general discussion, **3:19-3:34**
 - for detailed treatment see index
 - heading INFORMATION GATHERING AND COUNSELING OF CLIENT

ASSIGNMENTS

- Federal transfer tax system, **6:185-6:189**
- Standing to bring will contest, **4:491**

ASSISTANTS

- Attorney-client relationship, managing of, **2:10**
- Information gathering and counseling of client, **3:6**

“ASSOCIATED IN” EXCEPTION TO GENERAL RULE OF COMPETENCE

- Attorney-client relationship, managing of, **2:51**

ATTESTATION

- Wills
 - general discussion, **4:45- 4:73**
 - for detailed treatment see index
 - heading WILLS

ATTORNEY-CLIENT RELATIONSHIP, MANAGING OF

- General discussion, **1:90, 2:1-2:93**

ATTORNEY-CLIENT RELATIONSHIP, MANAGING OF—Cont’d

- Additional sources and guides for probate attorneys, **2:9**
- “Additional study,” implied exception to general rule of competence for, **2:53**
- Adverse interests, representation of persons with, **2:19, 2:20**
- Assistants, ethical guides for, **2:10**
- “Associated in” exception to general rule of competence, **2:51**
- Attorneys’ fees
 - general discussion, **2:65-2:68**
 - for detailed treatment see index
 - heading ATTORNEYS’ FEES
- Basic communications to client, **2:81**
- Checklist of oversight protections needs, **2:88**
- Classifying representation agreements for evaluation of, **2:71**
- Code of Professional Responsibility, **2:6**
- Coexecutors, fee letter agreement for, **2:75**
- Communications to client
 - general discussion, **2:80-2:82**
 - attorneys’ fees, **2:67**
 - ethical considerations, **2:56-2:61**
- Competence. See Ethical considerations, below
- Computer technology, impact of, **2:11**
- Confidential information, disclosure of
 - general discussion, **2:28-2:35**
 - definition of confidential information, **2:29**
 - exceptions allowing use, **2:32, 2:34**
 - loyalty duty to client, **2:35**
 - other use of, prohibited, **2:31**
 - unprivileged client information, exceptions allowing use of, **2:34**
 - to whom prohibited, **2:30**
- Conflicts of interest
 - general discussion, **2:17-2:24**

**ATTORNEY-CLIENT
RELATIONSHIP, MANAGING
OF—Cont'd**

Conflicts of interest—Cont'd
 adverse interests, representation of
 persons with, **2:19, 2:20**
 another client, no representation
 where limited by duties to,
 2:20
 classifying representation agree-
 ments for evaluation of, **2:71**
 exceptions to nonlitigation
 conflicts, **2:21-2:23**
 fee letter agreement for coexecu-
 tors with conflicts disclosure,
 2:75
 full disclosure, **2:23**
 husband and wife, generally, **2:19**
 informed consent, **2:23**
 opposing parties to same litigation,
 no representation of, **2:18**
 post consent issues, **2:24**
 related matters litigation, no repre-
 sentation of persons in, **2:19**
 Construing new Texas State
 Disciplinary Rules of Profes-
 sional Conduct, **2:7**
 Continuing the relationship, **2:76-**
 2:79
 Counselor, attorney as, **2:14**
 Declining representation letter, **2:78**
 form of, **2:92**
 Definitions
 competence, **2:47**
 confidential information, **2:29**
 Delaying information, **2:60**
 Depression, dealing with, **2:15**
 Diligence, duty as to, **2:64**
 Disabilities, communicating with
 clients under, **2:61**
 Disclaimers, **15:82**
 Disclosure
 confidential information. See
 Confidential information,
 disclosure of, above
 ethical considerations, general
 duties owed to nonclient, **2:38**
 form of fee agreement with
 disclosure language, **2:91**

**ATTORNEY-CLIENT
RELATIONSHIP, MANAGING
OF—Cont'd**

Disclosure—Cont'd
 full disclosure and informed
 consent, **2:23**
 Disinterest claims to unrepresented
 persons, prohibition against,
 2:39
 Dispositive planning, **10:16, 10:42**
 Division of fees between attorneys,
 2:73
 Emotional issues, dealing with, **2:15**
 Engagement letter, **2:74**
 form of, **2:90**
 Ethical considerations
 general discussion, **2:17-2:64**
 “additional study,” implied excep-
 tion to general rule of compe-
 tence for, **2:53**
 “associated in” exception to gen-
 eral rule of competence, **2:51**
 attorneys’ fees, **2:68**
 challenges, **2:2**
 client, general duties owed by
 lawyer to, **2:26-2:35**
 communication with clients, duty
 as to, **2:56-2:61**
 competence, generally, **2:46-2:53,**
 2:55
 confidential information. See
 Confidential information,
 disclosure of, above
 conflicts of interest. See Conflicts
 of interest, above
 defining competence, **2:47**
 delaying information, **2:60**
 determining competence, **2:48,**
 2:49
 diligence, duty as to, **2:64**
 disabilities, communicating with
 clients under, **2:61**
 disclosure of material facts, gen-
 eral duties owed to nonclient,
 2:38
 disinterest claims to unrepresented
 persons, prohibition against,
 2:39

INDEX

ATTORNEY-CLIENT RELATIONSHIP, MANAGING OF—Cont'd

- Ethical considerations—Cont'd
 - exceptions to general rule of competence, **2:50-2:52**
 - explanations to client, duty as to, **2:58**
 - false statements, general duties owed to nonclient, **2:37**
 - file retention, **2:84**
 - general duties owed by lawyer, **2:26-2:39**
 - implied exception to general rule of competence for “additional study,” **2:53**
 - independent professional judgment, exercise of, **2:27**
 - informing clients, duty as to, **2:57**
 - legal assistants, ethical guides for, **2:10**
 - “limited emergency” exception to general rule of competence, **2:52**
 - multiple clients. See Multiple client representation, below
 - nonclient, general duties owed to, **2:37-2:39**
 - special estate planning communication issues, **2:59-2:61**
 - specialized training, determining competence, **2:49**
 - subsequent responsibilities to each client, **2:54-2:61**
 - timely performance, **2:62-2:64**
 - who is client, **2:25**
 - withholding information, **2:60**
- Exceptions
 - confidential information, exceptions allowing use of, **2:32, 2:34**
 - conflicts of interest, **2:21-2:23**
 - ethical considerations, exceptions to general rule of competence, **2:50-2:52**
 - unprivileged information, exceptions allowing use of, **2:33**
- Expectations of today's clients regarding service, **2:13**

ATTORNEY-CLIENT RELATIONSHIP, MANAGING OF—Cont'd

- Explanations to client, duty as to, **2:58**
- False statements, general duties owed to nonclient, **2:37**
- Fees. See index heading ATTORNEYS' FEES
- File retention, **2:83-2:85**
- Fixed attorneys' fees, **2:65**
- Formation of attorney-client relationship, **2:72**
- Full disclosure, **2:23**
- Grief, dealing with, **2:15**
- Hourly attorneys' fees, **2:65**
- Husband and wife, generally, **2:19**
- Illegal attorneys' fees, **2:66**
- Implied exception to general rule of competence for “additional study,” **2:53**
- Independent professional judgment, exercise of, **2:27**
- Informed consent, **2:23**
- “Intermediary,” lawyer as, **2:40-2:42**
- Laches or delay, **2:60**
- Legal assistants, ethical guides for, **2:10**
- Legislature, regulation of attorney conduct, **2:4**
- “Limited emergency” exception to general rule of competence, **2:52**
- Loyalty duty to client, **2:35**
- Malpractice claims, **1:91**
- Multiple client representation
 - general discussion, **2:40-2:45**
 - common nature of, **2:16**
 - estate planning situations, **2:44**
 - “intermediary,” lawyer as, **2:40-2:42**
 - trusts issues, **2:45**
- New Disciplinary Rules of Professional Conduct 1.16, **2:8**
- Nonclient, general duties owed to, **2:37-2:39**
- Oversight and implementation, **2:87-2:89**
- Overview, **2:1-2:3**
- Post consent issues, **2:24**

ATTORNEY-CLIENT

RELATIONSHIP, MANAGING OF—Cont'd

- Practical challenges, **2:3**
- Practical considerations, generally, **2:65-2:89**
- Professional responsibility, **1:90-1:92**
- Regulation of attorney conduct, **2:4-2:10**
- Representation agreements, **2:69-2:71**
- Special estate planning communication issues, **2:59-2:61**
- Specialized training, determining competence, **2:49**
- State Bar of Texas, regulation of attorney conduct, **2:4**
- Subsequent responsibilities to each client, **2:54-2:61**
- Supreme Court of Texas, regulation of attorney conduct, **2:4**
- Technology, impact on modern practice, **2:11**
- Terminating or continuing the relationship, **2:76-2:79**
- Texas Disciplinary Rules of Professional Conduct, **2:5, 2:7**
- Tickler systems and client action reminders, **2:86**
- Timely performance, **2:62-2:64**
- Tips on keeping clients happy, **2:82**
- Trusts. See index heading **TRUSTS**
- Unconscionable attorneys' fees, **2:66**
- Unprivileged client information, exceptions allowing use of, **2:34**
- Wills. See index heading **WILLS**
- Withdrawal from representation letter, **2:79**
- form of, **2:93**
- Withholding information, ethical considerations, **2:60**

ATTORNEYS' FEES

- General discussion, **2:65-2:68**
- Basis for fee, **2:65-2:68**
- Coexecutors, fee letter agreement for, **2:75**
- Communicating fee to client, **2:67**
- Division of fees between attorneys, **2:73**

ATTORNEYS' FEES—Cont'd

- Ethical factors in determining reasonableness, **2:68**
- Federal transfer tax system, **6:121**
- Fixed fee, **2:65**
- Form of fee agreement with disclosure language, **2:91**
- Hourly fee, **2:65**
- Illegal fee, **2:66**
- Unconscionable fee, **2:66**

ATTORNEYS IN FACT

- See index heading **POWER OF ATTORNEY**

BAILMENT

- Trusts distinguished, **5:112**

BANK ACCOUNTS

- Dispositive planning. See index heading **DISPOSITIVE PLANNING**
- Domicile, **1:83**

BANKING TRANSACTIONS

- Durable power of attorney for, **9:37**

BASIS FOR TAX

- Carryover basis. See index heading **CARRYOVER BASIS**
- Federal transfer tax system, **6:76, 6:82**
- Income taxation of trusts and estates
 - general discussion, **7:113-7:121**
 - for detailed treatment see index heading **INCOME TAXATION OF TRUSTS AND ESTATES**
- Transfer taxation, generally, **6:9-6:12**

BENEFICIARIES

- Disclaimers, **15:69**
- Dispositive planning. See index heading **DISPOSITIVE PLANNING**
- Income tax. See index heading **INCOME TAXATION OF TRUSTS AND ESTATES**
- Information. See index heading **INFORMATION GATHERING AND COUNSELING OF CLIENT**
- Life/accident insurance, form of beneficiary designation for, **3:68**
- Retirement plan beneficiary designations, forms of, **8:275, 8:278-8:282**

INDEX

BENEFICIARIES—Cont'd

Tax planning. See index heading TAX
PLANNING

Trusts

general discussion, **5:441- 5:449**
for detailed treatment see index
heading TRUSTS

Wills. See index heading WILLS

BEQUESTS

Wills

general discussion, **4:257- 4:286**
for detailed treatment see index
heading WILLS

BLENDED FAMILIES

Dispositive planning, **10:136-10:141**

BONDS AND UNDERTAKINGS

Durable power of attorney for, **9:36**

Trusts, **5:355- 5:357**

Wills. See index heading WILLS

BOOKS AND RECORDS

Trustee's keeping of, **5:373**

BURDEN OF PROOF

See index heading PRESUMPTIONS AND
BURDEN OF PROOF

BURIAL

See index heading FUNERALS AND
FUNERAL EXPENSES

BUSINESS AND CONTRACTUAL AGREEMENTS

Dispositive planning, **10:170**

BUSINESS OPERATION TRANSACTIONS

Durable power of attorney for, **9:38**

BUSINESS PLANNING

General discussion, **11:1-11:182**

Buy-sell agreements. See index head-
ing BUY-SELL AGREEMENTS

Choice of entity

general discussion, **11:5-11:39**
business structures, generally,
11:6-11:14

C corporations, **11:9, 11:17**
corporations, **11:8-11:10, 11:25**

BUSINESS PLANNING—Cont'd

Choice of entity—Cont'd

limited liability companies, **11:11,**
11:21, 11:26

limited partnerships, **11:14, 11:20,**
11:28

partnerships, **11:12-11:14, 11:19,**
11:20, 11:27, 11:28

S corporations, **11:10, 11:18**

sole proprietorship, **11:7, 11:16,**
11:24

Closely held businesses. See index
heading CLOSELY HELD BUSINESS OR
STOCK

Conversions

C corporation to S corporation,
11:56

corporation to state law partner-
ship, **11:40-11:55**

Death, management upon, **11:32-**
11:34

Grantor retained income trusts
(GRIT), **11:4**

Historical background of techniques
currently used, **11:1-11:4**

Management and control, **11:22-**
11:35

Tax considerations, **11:15-11:21**

Transfer issues

general discussion, **1:57, 11:36-**
11:39

closely held businesses. See index
heading CLOSELY HELD BUSINESS
OR STOCK

BUSINESS TRANSFER PLANNING

Dispositive planning, **1:57**

BUY-SELL AGREEMENTS

General discussion, **11:145-11:182**

Business planning, **11:145-11:182**

Federal transfer tax system, **6:245**

Insurance used to fund, **11:173-**
11:182

Involuntary transfers, **11:166-11:169**

Price, determining, **11:152-11:157**

Right of first refusal, **11:157**

Triggering events, **11:164-11:172**

Uses for buy-sell agreements,
11:158-11:163

BUY-SELL AGREEMENTS—Cont'd

Value, requirements to fix value,
11:146-11:151

BYPASS TRUSTS

General discussion, **5:460**

Credit shelter bypass trust, form of,
5:529

Dispositive planning. See index head-
ing DISPOSITIVE PLANNING

Retirement plans. See index heading
RETIREMENT PLANS AND PLANNING

Tax planning

general discussion, **12:22-12:45**

for detailed treatment see index
heading TAX PLANNING

CALCULATION OF TAX

Federal transfer tax. See index head-
ing FEDERAL TRANSFER TAX SYSTEM

CAPACITY OR INCAPACITY

General discussion, **1:73-1:75**

Presumptions, **1:74**

CAPITAL GAINS TAX

Income taxation of trusts and estates,
7:118

Retirement plans and planning, **8:33**

Tax planning, **12:354**

CARRY-OVER BASIS ON GIFTS

Transfer taxation, **6:10**

CASH DIVIDENDS

Wills, **4:271**

CASH OR MONEY

Tax planning. See index heading TAX
PLANNING

Trusts, **5:204**

CEMETERIES

See index heading FUNERALS AND
FUNERAL EXPENSES

CERCLA

Trusts, **5:186, 5:385**

CERTAINTY AND DEFINITENESS

Information gathering and counseling
of client, **3:12**

**CERTIFICATE OF LIMITED
PARTNERSHIP**

Form, **13:64**

CHALLENGES

Lifetime planning, **9:49**

CHARACTER OF PROPERTY

Community property system, **1:48**

**CHARITABLE LEAD ANNUITY
TRUST**

Federal transfer tax system, **6:193**

**CHARITABLE REMAINDER
ANNUITY TRUST**

Form of, **5:533**

**CHARITIES AND CHARITABLE
MATTERS**

Disclaimers, charitable planning,
15:40

Dispositive planning. See index head-
ing DISPOSITIVE PLANNING

Federal transfer tax system,
charitable pledges, **6:126**

Retirement plans. See index heading
RETIREMENT PLANS AND PLANNING

Tax planning. See index heading TAX
PLANNING

Trusts

general discussion, **5:492- 5:499**

for detailed treatment see index
heading TRUSTS

Wills, **4:231**

CHECKLISTS

Attorney-client relationship, checklist
of oversight protections needs,
2:88

Information gathering. See index
heading INFORMATION GATHERING
AND COUNSELING OF CLIENT

Post-mortem planning, disclaimers,
15:106

Power of attorney, checklist for prep-
aration of, **3:67, 9:101**

Retirement plans. See index heading
RETIREMENT PLANS AND PLANNING

CHILDREN

Adult children. See index heading
ADULT CHILDREN

INDEX

CHILDREN—Cont'd

- Disclaimers, **15:71**
- Dispositive planning
 - general discussion, **10:133-10:146**
 - for detailed treatment see index heading DISPOSITIVE PLANNING
- Federal transfer tax. See index heading FEDERAL TRANSFER TAX SYSTEM
- Goals of estate planning, **1:11**
- Lifetime planning, **9:87-9:90**
- Retirement plans. See index heading RETIREMENT PLANS AND PLANNING
- Tax planning. See index heading TAX PLANNING
- Trusts for minors
 - general discussion, **5:501- 5:521**
 - for detailed treatment see index heading TRUSTS
- Wills. See index heading WILLS

CHRONOLOGICALLY PROJECTED CLIENT DECISIONS

- Information gathering and counseling of client, **3:57-3:61**

CITIZENSHIP STATUS

- Information gathering and counseling of client, **3:45**

CLASS AND CLASS GIFTS

- Wills, **4:238- 4:243, 4:399**

CLASSIFICATIONS OF TRUSTS

- Trusts. See index heading TRUSTS

CLOSELY HELD BUSINESS OR STOCK

- Elections, **15:98**
- Long-term payout of estate taxes, **11:129-11:139**
- Qualified family-owned business interests (“QFOBI”), **11:128-11:144**
- Section 303 redemptions, **11:140-11:144**
- Special provisions impacting closely held businesses, generally, **11:128-11:144**
- Tax planning, generally, **12:132, 12:279**

CLOSELY HELD BUSINESS OR STOCK—Cont'd

- Transferring interests in closely held businesses
 - general discussion, **11:64-11:127**
 - annual exclusion gifts, **11:65-11:71**
 - grantor retained annuity trust, **11:72-11:108**
 - sales to defective grantor trusts, **11:109-11:127**
- Trusts as owners
 - general discussion, **11:57-11:63**
 - Crummey defective grantor trust, **11:57-11:60**
 - Crummey trust for individual beneficiary, **11:61**
 - defective grantor trust, **11:57-11:60, 11:63**
 - generation-skipping trust, **11:62**

CO-AGENTS

- Lifetime planning, **9:25**

CODE OF PROFESSIONAL RESPONSIBILITY

- General discussion, **2:6**
- New Disciplinary Rules of Professional Conduct 1.16, **2:8**

CODICILS

- Wills, **4:14, 4:85, 4:449, 4:458**

COEXECUTORS

- Attorney-client relationship, managing of, **2:75**
- Wills, **4:154**

COLLECTION

- Texas inheritance tax. See index heading TEXAS TRANSFER TAX SYSTEM

COMMINGLING OF PROPERTY

- Trustee, **5:367, 5:368**

COMMON LAW

- Federal transfer tax system, **6:242, 6:243**
- Trusts, **5:37**
- Wills, **4:12**

COMMON USAGE

- Wills, **4:378**

COMMUNICATIONS

- Attorney-client relationship, managing of
 - general discussion, **2:80-2:82**
 - for detailed treatment see index
 - heading ATTORNEY-CLIENT RELATIONSHIP, MANAGING OF
- Dispositive planning, **10:7, 10:11**

COMMUNITY PROPERTY SYSTEM

- General discussion, **1:31-1:36**
- Character of property, **1:48**
- Conflicts of law principles, **1:47**
- Death, disposition at, **1:33**
- Definitions, **1:32**
- Disclaimers, **15:73**
- Dispositive planning
 - general discussion, **10:224-10:232**
 - for detailed treatment see index
 - heading DISPOSITIVE PLANNING
- Domicile, maintaining or changing, **1:51**
- Forced heirship, **1:49**
- Fraud on spouse doctrine, **1:44**
- Grantor retained annuity trusts, **11:100**
- Interaction between community property and common law states, **1:45-1:51**
- Migrant client considerations, **1:46**
- Probate, descent and distribution, **1:69-1:71**
- Retirement plans. See index heading RETIREMENT PLANS AND PLANNING
- Right of survivorship, **1:34**
- Separate property, spousal agreements for, **1:35**
- Tenancy by entirety in other jurisdictions, **1:50**

COMMUTATION

- Tax planning. See index heading TAX PLANNING

COMPENSATION

- Attorneys' fees. See index heading ATTORNEYS' FEES
- Trustee, **5:403- 5:405**
- Wills. See index heading WILLS

COMPETENCE

- Attorneys. See index heading ATTORNEY-CLIENT RELATIONSHIP, MANAGING OF

COMPLEXITY

- Income taxation of trusts and estates
 - general discussion, **7:30-7:40**
 - for detailed treatment see index
 - heading INCOME TAXATION OF TRUSTS AND ESTATES
- Trusts, **5:334**

COMPROMISE AND SETTLEMENT

- Trusts, **5:380**

COMPUTATION OR CALCULATION OF TAX

- Federal transfer tax. See index heading FEDERAL TRANSFER TAX SYSTEM

COMPUTER TECHNOLOGY

- Attorney-client relationship, managing of, **2:11**

CONDITIONAL BEQUEST

- Wills, **4:251- 4:253**

CONDITIONAL WILLS

- General discussion, **4:351, 4:352, 4:438**

CONFIDENTIAL INFORMATION

- Attorney-client relationship, managing of
 - general discussion, **2:28-2:35**
 - for detailed treatment see index
 - heading ATTORNEY-CLIENT RELATIONSHIP, MANAGING OF
- Trusts, **5:5**

CONFLICT OF POWERS OR CONSENTS

- Lifetime planning, **9:62**

CONFLICTS OF INTEREST

- Attorney-client relationship, managing of
 - general discussion, **2:17-2:24**
 - for detailed treatment see index
 - heading ATTORNEY-CLIENT RELATIONSHIP, MANAGING OF

INDEX

CONFLICTS OF INTEREST

—Cont'd

Dispositive planning, **10:2-10:16, 10:124**

Trusts. See index heading TRUSTS

Wills, **4:3- 4:6, 4:151**

CONFLICTS OF LAW

See index heading GOVERNING AUTHORITY OR LAW

CONSENT OR APPROVAL

Lifetime planning. See index heading LIFETIME PLANNING

Retirement plans and planning, **8:60-8:63, 8:147- 8:149**

Trusts, **5:297**

CONSERVATION EASEMENT

Elections, **15:99**

Federal transfer tax system, **6:112-6:115**

CONSIDERATION

Federal transfer tax system, **6:22**

Trusts, **5:160**

CONSTRUCTION AND INTERPRETATION

Attorney-client relationship, managing of, **2:7**

Lifetime planning. See index heading LIFETIME PLANNING

Texas Disciplinary Rules of Professional Conduct, **3:3**

Trusts, **5:53**

Wills

general discussion, **4:363- 4:380**

for detailed treatment see index heading WILLS

CONSTRUCTIVE TRUST

General discussion, **5:101**

CONTESTS

Wills

general discussion, **4:484- 4:534**

for detailed treatment see index heading WILLS

CONTINGENCY FEES

Executor, **4:179**

CONTINGENT BENEFICIARIES

Retirement plans. See index heading RETIREMENT PLANS AND PLANNING

CONTINGENT INTERESTS

Dispositive planning, **10:64, 10:103, 10:230**

CONTINGENT REMAINDER INTERESTS

Disclaimers, **15:61**

CONTINGENT TRUST

Wills, **4:234**

CONTRACTS AND AGREEMENTS

Disclaimers, **15:28**

Family limited partnerships, limited partnership agreement, **13:57**

Trusts. See index heading TRUSTS

Wills. See index heading WILLS

CONTROLLED SUBSTANCES

See index heading DRUGS AND DRUG ABUSE

CONVENIENCE ACCOUNTS

Dispositive planning, **10:181**

CONVEYANCES

See index heading DEEDS AND CONVEYANCES

CONVICTED FELON

Executor, **4:147**

CORPORATIONS

Family limited partnerships, corporation as general partner, **13:44-13:48**

Lifetime planning, **9:6**

Trusts, **5:276, 5:350- 5:352, 5:424, 5:425**

Wills. See index heading WILLS

COSTS AND EXPENSES

Dispositive planning, **10:31**

Family limited partnerships, cost and administrative burden, **13:47**

Income taxation of trusts and estates, **7:93, 7:97-7:99**

Trusts. See index heading TRUSTS

COTRUSTEES

General discussion, **5:13, 5:338, 5:411- 5:413**

COUNTY CLERK

Wills. See index heading **WILLS**

CREDITORS

Disclaimers, **15:41**
Dispositive planning, **10:166**
Family limited partnerships, creditor protection, **13:5, 13:48**
Information gathering and counseling of client, **3:37**

CREDITS AGAINST TAX

Federal transfer tax. See index heading **FEDERAL TRANSFER TAX SYSTEM**

CREDIT SHELTER BYPASS TRUST

Form of, **4:541, 5:529**

CRUMMEY PROVISIONS

Annual exclusion from gift tax, **12:152**
Federal transfer tax. See index heading **FEDERAL TRANSFER TAX SYSTEM**
Form of, **5:532**
Trusts, **5:485- 5:490, 11:57-11:61**

CUSTODIANSHIP

Family limited partnerships (FLP), **13:42**
Trusts for minors, **5:509**

CY-PRES DOCTRINE

Wills, **4:361**

DAMAGE OR DESTRUCTION

Personal residence trust (PRT) and qualified personal residence trust (QPRT), **12:340**

DAMAGES

Trusts. See index heading **TRUSTS**

DEATH AND DEATH BENEFITS

Disclaimers, **15:56**
Family limited partnerships, death of general partner, **13:45**
Lifetime planning. See index heading **LIFETIME PLANNING**

DEATH AND DEATH BENEFITS

—Cont'd

Retirement plans and planning, **8:141**
Trusts, **5:46, 5:47, 5:135**

DEATH TAXES

Disclaimers, **15:29**
Federal transfer tax system, **6:143- 6:146**
Wills
general discussion, **4:327- 4:338**
for detailed treatment see index heading **WILLS**

DECANT

Modification of trust
Decanting, judicial modification alternative, **5:281**

DECEIT

See index heading **FRAUD AND DECEIT**

DECLARATION

Domicile, declaration of, **1:81**
Trust, declaration of, **5:151**
Wills. See index heading **WILLS**

DECLARATORY JUDGMENT

Closely held business or stock, long-term payout of estate taxes, **11:137**
Wills, **4:380**

DEDUCTIONS

Elections, **15:93-15:95**
Federal transfer tax. See index heading **FEDERAL TRANSFER TAX SYSTEM**
Income tax. See index heading **INCOME TAXATION OF TRUSTS AND ESTATES**
Marital deduction of estate tax, preservation of, **15:27-15:31**
Tax planning. See index heading **TAX PLANNING**

DEEDS AND CONVEYANCES

Trusts, **5:451**

DEEP POCKETS

Trustee, **5:341**

DEFAULT

Wills, **4:305**

INDEX

DEFENSES

Wills. See index heading WILLS

DEFINED BENEFIT PLANS

Information gathering and counseling of client, **3:26**

DEFINITIONS

Attorneys. See index heading
ATTORNEY-CLIENT RELATIONSHIP,
MANAGING OF

Disclaimers, **15:5-15:13**

Estate, **1:2**

Federal transfer tax. See index heading
FEDERAL TRANSFER TAX SYSTEM

Lifetime planning, **9:16, 9:24**

Tax planning. See index heading TAX
PLANNING

Texas transfer tax. See index heading
TEXAS TRANSFER TAX SYSTEM

Trusts. See index heading TRUSTS

Wills. See index heading WILLS

DELEGATION OF DUTIES OR POWERS

Executor, **4:183**

Trustee, **5:372**

DELIVERY

Disclaimers, **15:49-15:51, 15:74**

Retirement plans and planning, **8:107**

Wills, **4:480, 4:481**

DEMAND FOR ACCOUNTING

Trusts, **5:212- 5:214**

DEMONSTRATIVE BEQUESTS

Wills, **4:281**

DEPENDENT RELATIVE REVOCATION

Wills, **4:470**

DEPENDENT REPRESENTATIVE, POWERS OF

Wills, **4:180, 4:181, 4:182**

DEPLETION

Income taxation of trusts and estates,
7:13

Trusts, **5:233**

DEPOSITS

Trusts, **5:420**

DEPRECIATION

Income taxation of trusts and estates,
7:13

DEPRESSED VALUE OF PROPERTY

Tax planning. See index heading TAX
PLANNING

DEPRESSION

Attorney-client relationship, managing of, **2:15**

DESCENT AND DISTRIBUTION

Probate. See index heading PROBATE

DESCRIPTION

See index heading IDENTIFICATION AND
DESCRIPTION

DESIGNATED BENEFICIARY

Retirement plans. See index heading
RETIREMENT PLANS AND PLANNING

DESTRUCTION

Wills. See index heading LOST OR
DESTROYED WILLS

DEVISES

Wills. See index heading WILLS

DILIGENCE

Attorney-client relationship, managing of, **2:64**

Trustee, generally, **5:340**

DIRECTIVES TO PHYSICIANS

Lifetime planning. See index heading
LIFETIME PLANNING

DIRECT SKIPS

Generation-skipping tax (GST),
5:477, 12:381

DISABILITY

Attorney-client relationship, managing of, **2:61**

Buy-sell agreements, **11:171**

Dispositive planning, **10:154**

Goals of estate planning, **1:11**

Information gathering and counseling of client, **3:41**

DISABILITY—Cont'd

Wills, **4:526**

DISCHARGE

See index heading RELEASE OR DISCHARGE

DISCLAIMERS

General discussion, **15:1-15:90**

Acceptance. See Lack of acceptance requirement, below

Agreement not to probate will, **15:28**

Attorneys at law, proper execution requirement, **15:82**

Attorneys in fact, proper execution requirement, **15:81**

Avoiding creditors, **15:41**

Avoiding state death tax, **15:29**

Barred disclaimers, **15:15**

Beneficiary serving as fiduciary, **15:69**

Certain transfers treated as disclaimers, **15:25**

Charitable planning post-death, **15:40**

Checklists, **15:106**

Community property disclaimers, **15:73**

Contingent remainder interests, **15:61**

Contract or agreement not to probate will, **15:28**

Creditors, avoidance of, **15:41**

Death tax, avoiding of, **15:29**

Death transfers, time requirements, **15:56**

Definitions, **15:5-15:13**

Delivery requirements, **15:49-15:51, 15:74**

Disclaimed property, time requirements, **15:59**

Effective and qualified disclaimers, **15:6-15:14**

Employee benefits, **15:36-15:39**

Estate tax marital deduction, preservation of, **15:27-15:31**

Execution of instruments. See Proper execution requirement, below

Executors, proper execution requirement, **15:83**

Federal requirements
general discussion, **15:43**

DISCLAIMERS—Cont'd

Federal requirements—Cont'd
delivery and receipt requirements, **15:50**

filing requirement, **15:48**

irrevocable requirement, **15:88**

lack of acceptance. See Lack of acceptance requirement, below

proper execution. See Proper execution requirement, below

time requirements. See Time requirements, below

writing requirement, **15:45**

Federal transfer tax. See index heading FEDERAL TRANSFER TAX SYSTEM

Fiduciaries, generally, **15:69, 15:90**

Filing requirements, **15:47, 15:48**

Form of, **4:539**

Formula amount, spousal disclaimer of, **15:33**

Full or total disclaimers, **15:17**

General disclaimer, form of, **15:107**

General power of appointment, transfer under, **15:55**

Generation-skipping transfer tax exemption, utilization of, **15:35**

Governing law, **15:2-15:4**

Guardian of disclaimant, **15:80**

Heirs, proper execution requirement, **15:85**

Income taxation of trusts and estates, **7:83-7:85**

Inter vivos transfers, **15:54, 15:60**

Intestate succession, spousal disclaimer pursuant to, **15:34**

IRC section 2518, **15:3**

Irrevocable. See Revocable or irrevocable, below

Jointly held property, **15:63-15:65, 15:72**

Lack of acceptance requirement
general discussion, **15:67-15:77**
beneficiary serving as fiduciary, **15:69**

community property disclaimers, **15:73**

delivery, **15:74**

federal law, generally, **15:68-15:76**

INDEX

DISCLAIMERS—Cont'd

- Lack of acceptance requirement
 - Cont'd
 - fiduciary, beneficiary serving as, **15:69**
 - joint tenancy, **15:72**
 - minor beneficiaries, **15:71**
 - multiple interests, **15:75**
 - power of appointment, **15:70**
 - residential joint tenancy, **15:72**
 - taxes on disclaimed property, payment of, **15:76**
 - Texas law, **15:77**
- Life and remainder interests
 - merging of life and remainder interests, **15:31**
 - time requirements, **15:61, 15:62**
- Limited disclaimers, **15:15**
- Marital deduction of estate tax, preservation of, **15:27-15:31**
- Merging life and remainder interests, **15:31**
- Minor beneficiaries, lack of acceptance requirement, **15:71**
- Multiple interests, **15:75**
- Nominal interests, **15:20**
- Nonqualified disclaimers, use of, **15:42**
- Nonseverable interests, failure to partition, **15:24**
- Ordway and subsequent cases, **15:62**
- Partial disclaimers
 - general discussion, **15:18-15:24**
 - form of, **15:109**
- Partition of nonseverable interests, failure as to, **15:24**
- Power of appointment
 - general discussion, **15:22**
 - disclaimers, **15:12**
 - lack of acceptance requirement, **15:70**
 - time requirements, **15:55, 15:57**
- Proper execution requirement
 - general discussion, **15:78-15:86**
 - attorneys at law, **15:82**
 - attorneys in fact, **15:81**
 - executors, **15:83**
 - federal law, generally, **15:79-15:85**

DISCLAIMERS—Cont'd

- Proper execution requirement
 - Cont'd
 - guardian of disclaimant, **15:80**
 - heirs, **15:85**
 - Texas law, **15:86**
 - trustees, **15:84**
- QTIP property
 - qualifying trust for, **15:30**
 - time requirements, **15:58**
- Qualified and effective disclaimers, **15:6-15:14**
- Receipt requirements, **15:49-15:51**
- Remainders. *See* Life and remainder interests, *above*
- Requirements of disclaimers, generally, **15:43-15:90**
- Residential joint tenancy, **15:72**
- Retirement plans and planning, **8:73-8:76, 8:89, 8:141**
 - form of disclaimer of trust, **8:272**
- Revocable or irrevocable
 - irrevocable requirement, generally, **15:87-15:89**
- Severable property interests, **15:21**
- Special powers of appointment, transfer under, **15:57**
- Taxes, generally, **15:3, 15:27-15:31, 15:35, 15:76**
- Texas Estates Code Chapter 122, **15:4**
- Texas Property Code Chapter 240, **15:7-15:13**
- Time requirements
 - general discussion, **15:52-15:66**
 - contingent remainder interests, **15:61**
 - death, transfer at, **15:56**
 - disclaimed property, **15:59**
 - federal law, generally, **15:53-15:65**
 - general power of appointment, transfer under, **15:55**
 - inter vivos transfers, **15:54, 15:60**
 - jointly held property, **15:63-15:65**
 - powers of appointment, transfers under, **15:55, 15:57**
- QTIP property, **15:58**
- remainder interests, **15:61, 15:62**

DISCLAIMERS—Cont’d

- Time requirements—Cont’d
 - special powers of appointment, transfer under, **15:57**
 - Texas law, **15:66**
- Total disclaimers, **15:17**
 - form of, **15:108**
- Transfer treated as disclaimers, **15:25**
- Trusts. See index heading TRUSTS
- Types of disclaimers, **15:16-15:24**
- Undivided property portions, **15:19**
- Unified credit, utilization of, **15:32-15:34**
- Use of disclaimers, generally, **15:26-15:42**
- Writing requirement, **15:44-15:46**

DISCLOSURE

- Attorneys. See index heading
 - ATTORNEY-CLIENT RELATIONSHIP, MANAGING OF
- Attorneys’ fee agreement with disclosure language, form of, **2:91**
- Lifetime planning. See index heading
 - LIFETIME PLANNING
- Trusts, **5:5**

DISCOUNT VALUE

- Federal transfer tax system, **6:235-6:239**
- Tax planning, **12:191-12:198**

DISCRETIONARY MATTERS

- Trusts. See index heading TRUSTS

DISINTEREST CLAIMS

- Attorney-client relationship, managing of, **2:39**

DISPOSITION OF REMAINS

- Lifetime planning, **9:91-9:94**

DISPOSITIVE MATTERS

- Planning
 - general discussion, **1:5, 10:1-10:243**
 - for detailed treatment see index heading DISPOSITIVE PLANNING
- Wills provisions
 - general discussion, **4:229- 4:316**

DISPOSITIVE MATTERS—Cont’d

- Wills provisions—Cont’d
 - for detailed treatment see index heading WILLS

DISPOSITIVE PLANNING

- General discussion, **1:5, 10:1-10:243**
- Acknowledgment of character of property, **10:98**
- Adjudication regarding community property, **10:229**
- Adjusting bequests to consider character of property, **10:96**
- Adult children, planning for, **10:135**
- Allowances, **10:168**
- Ambiguous terms, avoidance of, **10:5**
- Annuities
 - general discussion, **10:234-10:243**
 - beneficiaries, property interests given to, **10:112**
 - bypass trust as beneficiary, **10:241**
 - charity as beneficiary, **10:243**
 - estate tax consequences, **10:237**
 - income tax consequences, **10:236**
 - planning considerations, **10:238-10:243**
 - QTIP trust as beneficiary, **10:242**
 - spouse as beneficiary, **10:240**
 - types of annuities, **10:235**
- Arbitration provision, **10:15**
- Assessing goals of client, **10:38**
- Attorneys, **10:16, 10:42**
- Avoidance of probate in other states, **10:80**
- Balancing dispositive desires, **10:51-10:53**
- Bank accounts
 - multiple- party accounts. See Multiple-party accounts in financial institutions, below
 - probate property, planning for, **10:164**
- Beneficial interests in property, **10:100**
- Beneficiaries
 - charitable gifts, **10:160**
 - children. See Children, planning for, below

INDEX

DISPOSITIVE PLANNING—Cont'd

Beneficiaries—Cont'd
disabled beneficiaries, planning for, **10:154**
general family shared assets, **10:161**
grandchildren. See Grandchildren, planning for, below
paramours, planning for, **10:158**
pets, planning for, **10:159**
as players involved, **10:41**
property interests. See Beneficiaries, property interests given to, below
relationship to client, generally, **10:119**
same sex couples, planning for, **10:157**
significant others, planning for, **10:155-10:158**
specific beneficiary types, planning for, generally, **10:119-10:161**
spouses. See Spouses, planning for, below
substantial charitable gifts, **10:160**
unmarried couples, planning for, **10:156**
Beneficiaries, property interests given to
general discussion, **10:101-10:118**
annuity, **10:112**
contingent interest, **10:103**
dollar interests versus percentage interests, **10:114**
future interest, **10:106**
income interest, **10:110**
legal versus equitable, **10:102-10:112**
life estate, **10:107**
powers of appointment, **10:116-10:118**
present interest, **10:105**
principal, interest in, **10:111**
remainder, **10:108**
reversion, **10:109**
specific interests versus general, **10:113**
undivided interests versus divided interests, **10:115**

DISPOSITIVE PLANNING—Cont'd

Beneficiaries, property interests given to—Cont'd
vested interest, **10:104**
Blended families, planning for, **10:136-10:141**
Business and contractual agreements, **10:170**
Business transfer planning, **1:57**
Bypass trust as beneficiary
annuities, **10:241**
tax deferred retirement plans, **10:209**
Categorizing tools of disposition, **10:54**
Character of property, generally, **10:91-10:98, 10:139**
Charitable gifts, beneficiaries of, **10:160**
Charity as beneficiary, **10:211, 10:243**
Children, planning for
general discussion, **10:133-10:146**
adult children, **10:135**
blended families, **10:136-10:141**
character of property, **10:139**
intent of client, **10:143**
investment of trust, **10:144**
minor children, **10:134**
multiple-party accounts in financial institutions, **10:188**
principal distributions, **10:144**
protecting the children, **10:142-10:146**
selecting trustee, **10:145**
structuring dispositions of property, **10:138-10:141**
will, portion passing under, **10:140**
Codicils, use of, **10:6**
Communications, **10:7, 10:11**
Community property with right of survivorship
general discussion, **10:224-10:232**
adjudication, requirement of, **10:229**
advantages, **10:227**
character of property, **10:93**
contingent distribution, absence of, **10:230**

DISPOSITIVE PLANNING—Cont'd

Community property with right of survivorship—Cont'd
 disadvantages, **10:228-10:232**
 divorce, not voided by, **10:232**
 multiple-party accounts in financial institutions, **10:178**
 planning considerations, **10:226-10:232**
 proof of, **10:225**
 testamentary gifts, unavailable to fund, **10:231**
 Complete dispositions, **10:48, 10:49**
 Conflicts, **10:2-10:16, 10:124**
 Constraints in dispositive planning, **10:27-10:37**
 Contingent interests, **10:64, 10:103, 10:230**
 Convenience accounts, **10:181**
 Coordination of dispositive plan, **1:53-1:57**
 Coordination of nonprobate and probate assets, generally, **10:54-10:88**
 Cost and complexity, **10:31**
 Creditors' claims, **10:166**
 Designations of beneficiaries, **10:87**
 Disabled beneficiaries, planning for, **10:154**
 Divorce, effect of, **10:189, 10:199, 10:221, 10:232**
 Dollar interests versus percentage interests, **10:114**
 Election by widow, **10:167**
 Estate tax consequences, **10:34, 10:237**
 Ethical considerations, **10:16**
 Executor, appointment of, **10:67**
 Fiduciaries, preserving flexibility, **10:18-10:25**
 Financial planner as player involved, **10:44**
 Future interest, beneficiaries of, **10:106**
 Gift tax considerations, **10:34**
 Goals of client, generally, **10:38-10:53**
 Grandchildren, planning for
 general discussion, **10:147-10:153**

DISPOSITIVE PLANNING—Cont'd

Grandchildren, planning for—Cont'd
 form of making gifts, **10:150-10:153**
 interpersonal consideration, **10:148**
 outright gifts, **10:151**
 tax considerations, **10:149**
 trust, gifts in, **10:152, 10:153**
 Guardianships, avoidance of, **10:86**
 Homestead, **10:169**
 Impact of character of property on planning, **10:94-10:98**
 Income interest, **10:110**
 Income tax consequences, **10:37, 10:76, 10:236**
 Indiscretions of spouse, **10:123**
 Individual retirement accounts (IRAs), **10:203, 10:219**
 Intent of client, **10:3-10:6, 10:126, 10:143**
 Investment of trust, **10:144**
 Irrevocable inter vivos trusts, **10:85**
 Joint accounts, generally, **10:174-10:178**
 Joint tenancy with right of survivorship, **10:223**
 Life estates, **10:107**
 Life insurance, generally, **10:191-10:199**
 Life insurance agent as player involved, **10:45**
 Marital deduction, **10:35**
 Mediation provision, **10:15**
 Memos, use of, **10:6**
 Minimizing likelihood of conflict, **10:2-10:16**
 Minimum distribution considerations, **10:212-10:216**
 Minors. See Children, above
 Misunderstandings, **10:30**
 Multiple-party accounts in financial institutions
 general discussion, **10:173-10:190**
 advantages, **10:183**
 community property with right of survivorship, **10:178**
 convenience accounts, **10:181**
 disadvantages, **10:184-10:190**
 divorce, not voided by, **10:189**

INDEX

DISPOSITIVE PLANNING—Cont'd

- Multiple-party accounts in financial institutions—Cont'd
 - exposure to creditors, **10:190**
 - failure to seek professional advice, **10:187**
 - joint accounts, generally, **10:174-10:178**
 - minor beneficiaries, **10:188**
 - payable on death (POD) accounts, **10:179**
 - planning considerations, **10:182-10:190**
 - survivorship, generally, **10:175-10:178**
 - trust accounts, **10:180**
 - unavailability of assets, disadvantages, **10:185**
 - unintended inequality of distributions, **10:186**
- Nature and scope of property interests, **10:89**
- No contest clause, **10:9, 10:97**
- Noncitizen spouse, planning for, **10:132**
- Nonprobate property, planning for
 - general discussion, **10:172-10:243**
 - annuities. See Annuities, above
 - community property. See Community property with right of survivorship, above
 - coordination of dispositive plan, **1:56**
 - divorce, effect on life insurance beneficiary designation, **10:199**
 - life insurance, generally, **10:191-10:199**
 - multiple-party accounts. See Multiple-party accounts in financial institutions, above
 - nonqualified deferred compensation, **10:222**
 - tax consequences of receipt of life insurance proceeds, **10:197**
 - tax deferred benefits. See Tax deferred retirement benefits, below

DISPOSITIVE PLANNING—Cont'd

- Nonprobate property, planning for—Cont'd
 - trusts and beneficial interests, **10:233**
 - types of property, generally, **10:172**
- Nonqualified deferred compensation, **10:223**
- Organizing tools of disposition, **10:54**
- Other states, use of revocable living trusts in, **10:78**
- Outright gifts, **10:151**
- Outright ownership, **10:99**
- Paramours, planning for, **10:158**
- Payable on death (POD) accounts, **10:179**
- Perceptions of client, **10:28**
- Personal property, specific disposition of, **10:57**
- Pets, planning for, **10:159**
- Players involved in dispositive planning, **10:39-10:46**
- Policy choices, **10:29**
- Powers of appointment, **10:26, 10:116-10:118**
- Practicality of proposed plan, **10:47**
- Present interest, beneficiaries of, **10:105**
- Preserving flexibility, **10:17-10:26**
- Principal, interest in, **10:111**
- Principal distributions, **10:144**
- Privacy, providing of, **10:83**
- Probate property, planning for
 - general discussion, **10:162-10:171**
 - allowances, **10:168**
 - bank accounts, **10:164**
 - business and contractual agreements, **10:170**
 - coordination of dispositive plan, **1:55, 10:171**
 - creditors' claims, **10:166**
 - election by widow, **10:167**
 - homestead, **10:169**
 - restraints on disposition, **10:165-10:170**
 - statutory and contractual restraints on disposition, **10:165-10:170**

DISPOSITIVE PLANNING—Cont'd

Probate property, planning for
—Cont'd
title to property, **10:163**
Property interests, generally, **10:89-10:118**
Protection of property, **10:72-10:74**
QTIP trust as beneficiary, **10:210, 10:242**
Qualified plans, **10:202**
Recalculation of life expectancy, **10:214**
Reduce effectiveness of conflict, **10:8-10:11**
Remainders, **10:108**
Residue, disposition of, **10:63**
Restraints on disposition, **10:165-10:170**
Reversions, **10:109**
Revocable living trusts
general discussion, **10:77-10:85**
avoidance of probate in other states, **10:80**
avoiding hassles of probate, **10:84**
disability, avoiding hassles with, **10:82**
other states, use in, **10:78**
privacy, providing of, **10:83**
reasons to use, **10:79-10:84**
will contests, minimizing likelihood of, **10:81**
Same sex couples, planning for, **10:157**
Selecting trustee, **10:127-10:129, 10:145**
Separate property, **10:92**
Significant others, planning for, **10:155-10:158**
Specific interests versus general, **10:113**
Spouses, planning for
general discussion, **10:120-10:132**
annuities, **10:240**
children, conflict with, **10:124**
conflict with children, **10:124**
indiscretions of spouse, **10:123**
information provided to children, **10:130**
intent of client, **10:126**

DISPOSITIVE PLANNING—Cont'd

Spouses, planning for—Cont'd
noncitizen spouse, **10:132**
protecting spouse, **10:122-10:124**
selecting trustee, **10:127-10:129**
structuring property dispositions, **10:125-10:131**
support for spouse, **10:121**
tax deferred retirement plans, **10:208**
trust committee, use of, **10:131**
Statutory and contractual restraints on disposition, **10:165-10:170**
Structure for resolution of conflict, **10:12-10:16**
Structuring dispositions of property, **10:138-10:141**
Substantial charitable gifts, **10:160**
Support for spouse, **10:121**
Survivorship, generally, **10:175-10:178**
Tax advisor as player involved, **10:43**
Tax and debt allocation clause of will, **10:66**
Tax considerations
general discussion, **10:32-10:37**
funding of tax plan of client, **10:88**
grandchildren, planning for, **10:149**
life insurance proceeds, receipt of, **10:197**
testamentary trusts, **10:70**
Tax deferred retirement plans
general discussion, **10:200-10:221**
403(b) annuities, **10:204**
bypass trust as beneficiary, **10:209**
charity as beneficiary, **10:211**
divorce, effect of, **10:221**
estate planning considerations, **10:205-10:221**
individual retirement accounts (IRAs), **10:203**
IRA beneficiary, designation of, **10:219**
minimum distribution considerations, **10:212-10:216**
QTIP trust as beneficiary, **10:210**
qualified plans, **10:202**

INDEX

DISPOSITIVE PLANNING—Cont'd

Tax deferred retirement plans

—Cont'd

recalculation of life expectancy,
10:214

special planning, **10:217-10:220**

spouse as beneficiary, **10:208**

trust as beneficiary, **10:216**

types of plans, **10:201**

who can be beneficiary, **10:206**

who should be beneficiary, **10:207-10:211**

Testamentary trusts

general discussion, **10:68-10:76**

community property with right of
survivorship, **10:231**

control over disposition of prop-
erty, **10:75**

income taxes, **10:76**

management expertise, **10:71**

protection of property, **10:72-10:74**

purposes, **10:69-10:75**

tax savings, **10:70**

Title to property, **10:163**

Tracing character of property, **10:95**

Trust officer as player involved,
10:46

Trusts

grandchildren, planning for,
10:152, 10:153

multiple-party accounts in financial
institutions, **10:180**

spouses, planning for, **10:131**

tax deferred retirement plans,
10:216

testamentary. See Testamentary
trusts, above

wills, **10:58-10:62**

TUTMA provision, **10:65**

Undivided interests versus divided
interests, **10:115**

Unmarried couples, planning for,
10:156

Vested interest, beneficiaries of,
10:104

Wills

general discussion, **10:56-10:67**
children, planning for, **10:140**

DISPOSITIVE PLANNING—Cont'd

Wills—Cont'd

contests, minimizing likelihood of,
10:81

contingent bequest, **10:64**

executor, appointment of, **10:67**

personal property, specific disposi-
tion of, **10:57**

residue, disposition of, **10:63**

specific bequests of cash or items,
10:57

tax and debt allocation clause,
10:66

trusts, **10:58-10:62**

TUTMA provision, **10:65**

DISTRIBUTABLE NET INCOME (DNI)

Income tax. See index heading

INCOME TAXATION OF TRUSTS AND
ESTATES

DISTRIBUTIONS

Federal transfer tax system, **6:176, 6:180**

Income tax. See index heading

INCOME TAXATION OF TRUSTS AND
ESTATES

Tax planning, **12:382**

Trusts

general discussion, **5:237- 5:271**

for detailed treatment see index
heading TRUSTS

Wills, **4:290- 4:295**

DIVERSIFICATION OF PROPERTY

Trusts, **5:189**

DIVIDED LOYALTIES

Trusts, **5:6- 5:8**

DIVIDENDS

Wills, **4:271**

DIVISION OF FEES

Attorney-client relationship, manag-
ing of, **2:73**

DIVISION OF TRUSTS

General discussion, **5:291- 5:294**

DIVORCE

Business planning, **11:167**
Dispositive planning, **10:189**,
10:199, 10:221, 10:232
Trusts, **5:315, 5:516**
Wills, **4:381- 4:383**

DOMICILE OR RESIDENCE

General discussion, **1:76-1:89**
Actions to take in establishing, **1:79-1:85**
Address, use of, **1:80**
Bank accounts, use of, **1:83**
Community property system,
maintaining or changing domici-
cile, **1:51**
Declaration of domicile, **1:81**
Definition, **1:77**
Differently priced homes, **1:87**
Disclaimers, residential joint tenancy,
15:72
Effect and importance, **1:76**
Homestead property, **1:82**
Possessions, location of, **1:88**
Safe deposit boxes, use of, **1:83**
Tax planning. See index heading TAX
PLANNING
Texas law on domicile status, **1:89**
Ties to state for determining, **1:78**
Time spent in state, **1:85**
Trusts, **5:382**
Vote, registering to vote as action to
establish domicile, **1:84**
Wills, **4:103**

DONATIVE TRUSTS

General discussion, **5:106**

**DO NOT RESUSCITATE (“DNR”)
DIRECTIVES**

General discussion, **9:81-9:83**

DRAFTING PRINCIPLES

Trusts
general discussion, **5:121- 5:127**
for detailed treatment see index
heading TRUSTS

DRUGS AND DRUG ABUSE

Trusts for minors, **5:517**
Wills, **4:513**

DUPLICATE WILLS

General discussion, **4:471, 4:472**

**DURABLE POWER OF
ATTORNEY**

General discussion, **9:9-9:45**
For detailed treatment see index
heading LIFETIME PLANNING

DURATION

Lifetime planning. See index heading
LIFETIME PLANNING

DYNASTY TRUSTS

General discussion, **12:199-12:233**
For detailed treatment see index
heading TAX PLANNING

EASEMENT FOR CONSERVATION

Elections, **15:99**

EDUCATION

Trusts, **5:261- 5:264**

EIN

Family limited partnerships (FLP),
13:59

EJUSDEM GENERIS, RULE OF
Wills, **4:260**

ELECTION OR OPTION

General discussion, **15:91-15:105**
Administration expenses, **15:92**
Alternative valuations, **15:101**
Closely held businesses, **15:98**
Commonly used elections, **15:91-15:95**
Conservation easement, **15:99**
Decedent’s final income tax return,
election to deduct on, **15:93-15:95**
Deductions on decedent’s final
income tax return, election as to,
15:93-15:95
Easement for conservation, **15:99**
Fiduciary income tax returns, select-
ing the tax year end for, **15:96**
Medical expense deductions on
decedent’s final income tax
return, election as to, **15:94**
Portability election, **15:105**
QTIP election, **15:100**

INDEX

ELECTION OR OPTION—Cont'd Retirement plans and planning, **8:84-8:89**

Series E and EE interest deductions on decedent's final income tax return, election as to, **15:95**

Special use valuation, **15:97**

Trusts distinguished, **5:113**

Widow, election by
dispositive planning, **10:167**
wills, **4:353, 4:354**

EMERGENCY

Trusts, **5:258**

EMOTIONAL ISSUES

Attorney-client relationship, managing of, **2:15**

EMPATHY

Trustee, **5:343**

EMPLOYER AND EMPLOYEE

Disclaimers, employee benefits, **15:36-15:39**

Income taxation of trusts and estates, employer identification number (EIN), **7:2**

Trusts. See index heading TRUSTS

ENFORCEMENT

Texas transfer tax. See index heading TEXAS TRANSFER TAX SYSTEM

ENGAGEMENT LETTER

Attorney-client relationship, managing of, **2:74**

ENVIRONMENTAL MATTERS

Trusts, **5:186, 5:385, 5:436**

ESCHEAT

Probate, **1:72**

ESTATES AND ESTATE TAXES

Closely held business or stock, long-term payout of estate taxes, **11:129-11:139**

Dispositive planning, estate tax consequences, **10:33, 10:34, 10:237**

Federal transfer tax system generally, **6:81-6:164**

ESTATES AND ESTATE TAXES —Cont'd

Federal transfer tax system—Cont'd
for detailed treatment see index heading FEDERAL TRANSFER TAX SYSTEM

Grantor retained annuity trusts, **11:91, 11:92, 11:93**

Income tax. See index heading INCOME TAXATION OF TRUSTS AND ESTATES

Information gathering and counseling of client, **3:54**

Retirement plans. See index heading RETIREMENT PLANS AND PLANNING

Tax planning. See index heading TAX PLANNING

Trusts
general discussion, **5:1- 5:538**
for detailed treatment see index heading TRUSTS

Wills
general discussion, **4:1- 4:543**
for detailed treatment see index heading WILLS

ESTATE TRUST

General discussion, **5:465**

ESTOPPEL

See index heading WAIVER AND ESTOPPEL

ETHICAL CONSIDERATIONS

Attorney-client relationship, managing of
general discussion, **2:17-2:64**
for detailed treatment see index heading ATTORNEY-CLIENT RELATIONSHIP, MANAGING OF

Dispositive planning, **10:16**

Information gathering and counseling of client, **3:2, 3:4**

Trusts
general discussion, **5:1- 5:30**
for detailed treatment see index heading TRUSTS

Wills
general discussion, **4:1- 4:10**
for detailed treatment see index heading WILLS

ETIP PROPERTY

Federal transfer tax. See index heading FEDERAL TRANSFER TAX SYSTEM

EVIDENCE

Wills. See index heading WILLS

EXCEPTIONS

See index heading EXEMPTIONS, EXCEPTIONS, AND EXCLUSIONS

EXCLUSIONS

See index heading EXEMPTIONS, EXCEPTIONS, AND EXCLUSIONS

EXCULPATORY PROVISIONS

Trusts, **5:456**

EXECUTION OF INSTRUMENTS

Disclaimers. See index heading DISCLAIMERS

Lifetime planning. See index heading LIFETIME PLANNING

Wills
general discussion, **4:45- 4:98**
for detailed treatment see index heading WILLS

EXECUTORS

Wills
general discussion, **4:137- 4:186**
for detailed treatment see index heading WILLS

EXECUTORSHIP

Trusts distinguished, **5:115**

EXEMPTIONS, EXCEPTIONS, AND EXCLUSIONS

Attorneys. See index heading ATTORNEY-CLIENT RELATIONSHIP, MANAGING OF

Federal transfer tax. See index heading FEDERAL TRANSFER TAX SYSTEM

Income taxation of trusts and estates, **7:3, 7:4, 7:40**

Tax planning. See index heading TAX PLANNING

Trusts, exemption from taxes and debts, **5:50**

Wills, exemption right, **4:355- 4:357**

EXONERATION

Trustee, **5:406- 5:410**

EXORDIUM CLAUSE

Wills
general discussion, **4:101- 4:107**
for detailed treatment see index heading WILLS

EXPATRIATES

Tax planning, **12:367-12:371, 12:395**

EXPENSES

See index heading COSTS AND EXPENSES

EXTENSION OF TIME

Tax planning, **12:131-12:133**

EXTINCTION

Ademption by, **4:424**

EXTRINSIC EVIDENCE

Wills. See index heading WILLS

FAIL-SAFING

Lifetime planning, **9:7**

**FAIRLY REPRESENTATIVE
PECUNIARY FORMULA
FUNDING CLAUSES**

Tax planning, **12:65**

FAIR MARKET VALUE

Federal transfer tax system, **6:26**
Wills, **4:307, 4:308**

FALSE STATEMENTS

See index heading FRAUD AND DECEIT

FAMILY AND RELATIVES

Definitions, **5:82**

Federal transfer tax system, family businesses, **6:133, 6:239**

Information gathering and counseling of client

general discussion, **3:35-3:45**

for detailed treatment see index heading INFORMATION GATHERING AND COUNSELING OF CLIENT

Tax planning. See index heading TAX PLANNING

Trustee's familiarity with, **5:336**

Wills. See index heading WILLS

INDEX

FAMILY LIMITED

PARTNERSHIPS (FLP)

General discussion, **13:1-13:65**
Accountant, partnership CPA, **13:54**
Adult children, **13:41**
Agreement, limited partnership agreement, **13:57**
Appraisers, **13:62**
Assets, suitability and sufficiency of, **13:30-13:38**
Benefits, **13:4-13:10**
Certificate of limited partnership, form, **13:64**
Corporation as general partner, **13:44-13:48**
Cost and administrative burden, **13:47**
Creation of partnership, **13:56, 13:57**
Creditor protection, **13:5, 13:48**
Custodianships, **13:42**
Death of general partner, control after, **13:45**
Demographics and dynamics, suitability of family demographics and dynamics, **13:39-13:43**
Diversification, **13:50-13:53**
EIN, **13:59**
Forms
 certificate of limited partnership, **13:64**
 manager, limited partnership with partnership manager, **13:65**
Franchise tax, **13:46, 13:55**
Funding, **13:58-13:63**
General partner, **13:2, 13:44-13:48**
Gift on formation, **13:12**
Income tax aspects, **13:49-13:54**
Individual as general partner, **13:44-13:48**
Initial planning considerations, generally, **13:30-13:55**
IRS rulings and judicial opinions, **13:11-13:29**
Judicial opinions and IRS rulings, **13:11-13:29**
Life insurance, **13:33**
Limited partner, **13:3**
LLC as general partner, **13:44-13:48**
Minimum number of partners, **13:40**

FAMILY LIMITED

PARTNERSHIPS (FLP)

—Cont'd

Minor children, **13:42**
“Nest egg,” **13:34**
Operation, generally, **13:58-13:63**
Personal use assets, **13:35**
Retirement assets, **13:31**
Sham TAMs, **13:11**
Stock options, **13:32**
Subchapter S stock, **13:36**
Suitability of family demographics and dynamics, **13:39-13:43**
Tax planning, generally, **12:196**
Transfer of assets, restrictions, **13:37**
Transferring family limited partnership interests, **13:62, 13:63**
Trusts, **13:42**
Valuation
 discounts, **13:6-13:9**
 gift, estate, and generation-skipping tax, **6:239**

FARMING OPERATIONS

Trusts, **5:230**

FEASIBILITY

Trusts, **5:141- 5:143**

FEDERAL REQUIREMENTS

Disclaimers
 general discussion, **15:43**
 for detailed treatment see index
 heading **DISCLAIMERS**

FEDERAL TAXES

Federal transfer tax system
 Generally, **6:14-6:249**
 for detailed treatment see index
 heading **FEDERAL TRANSFER TAX SYSTEM**
Information gathering and counseling of client, **3:53-3:56**

FEDERAL TRANSFER TAX SYSTEM

Generally, **6:14-6:249**
Allocation of exemption. See Generation-skipping transfer tax, below
Alternate valuations, estate tax, **6:157, 6:232**

FEDERAL TRANSFER TAX

SYSTEM—Cont'd

Annual exclusion, gift tax, **6:46-6:49**
 Anti-freeze provision, **6:241**
 Anti-Harrison rule, **6:246**
 Appraisal fees, **6:122**
 Assets of non-resident citizens, **6:149**
 Assignment of persons to generations, **6:185-6:189**
 Attorneys' fees, **6:121**
 Basis of property, **6:76, 6:82**
 Business transactions, gift tax, **6:29**
 Buy-sell restrictions, **6:245**
 Calculation of tax. See Computation or calculation of tax, below
 Chapter 14, valuation principles of. See Valuation provisions, below
 Charitable lead annuity trust, **6:193**
 Charitable pledges, **6:126**
 Children. See Minors, below
 Common law GRITs, **6:242, 6:243**
 Computation or calculation of tax estate tax. See Estate tax, below generation-skipping transfer tax, **6:179-6:184** gift tax, **6:80**
 Conservation easement, estate tax deductions, **6:112-6:115**
 Conserving property, costs of, **6:119**
 Consideration, gift tax, **6:22**
 Control premium, **6:238**
 Credits against tax. See Estate tax, below
 Crummey provisions. See Gift tax, below
 Current gift tax rate schedule, **6:79**
 Death, deemed allocation at, **6:225, 6:226**
 Death taxes, estate tax credits against, **6:143-6:146**
 Deductions estate tax. See Estate tax, below gift tax. See Gift tax, below
 Deemed allocations, generation-skipping transfer tax, **6:223-6:226**
 Definitions general power of appointment, **6:100**

FEDERAL TRANSFER TAX

SYSTEM—Cont'd

Definitions—Cont'd gift, **6:21-6:24** tuition, **6:59**
 Delivery of qualified disclaimers, **6:67**
 Direct skips, generation-skipping transfer tax, **6:173-6:175, 6:183**
 Disclaimers. See Gift tax, below
 Discount values, **6:235-6:239**
 Distributions, generation-skipping transfer tax, **6:176, 6:180**
 Electing out of deemed allocation, **6:224, 6:226**
 Entire interest or undivided portion of interest, gift tax, **6:70**
 Entities, assignment to generations, **6:189**
 Estate tax generally, **6:81-6:164** administration expenses. See Funeral, administration expenses and debts, deduction for, below in this group alternate valuation, **6:157, 6:232** appraisal fees, **6:122** assets of non-resident citizens, **6:149** attorneys' fees, **6:121** basis of inherited property, **6:82** Chapter 14. See Valuation provisions, below charitable pledges, deduction for, **6:126** computation of estate tax generally, **6:154-6:164** alternate value, **6:157** credits, **6:163** deductions, **6:159** gross tax determined, **6:162** prior taxable gifts, **6:160** restrictions on use, **6:158** sample computation, **6:164** special use valuation, **6:156** tentative tax determined, **6:161** value, determination of, **6:155-6:158**

INDEX

FEDERAL TRANSFER TAX SYSTEM—Cont'd

- Estate tax—Cont'd
 - conservation easement, **6:112-6:115**
 - conserving property, costs of, **6:119**
 - credits against tax
 - generally, **6:135-6:147**
 - computation of estate tax, **6:163**
 - death taxes, credit for, **6:143-6:146**
 - foreign death taxes, credit for, **6:143-6:145**
 - prior transfers, credit for tax on, **6:139-6:142**
 - recovery of taxes claimed as credit, **6:147**
 - remainders, credit for death taxes on, **6:146**
 - state death taxes, credit for, **6:138**
 - unified credit, **6:136, 6:137**
 - death taxes, credit for, **6:143-6:146**
 - debts. See Funeral, administration expenses and debts, deduction for, below in this group
 - deductions
 - generally, **6:111-6:133**
 - administration expenses. See Funeral, administration expenses and debts, deduction for, below in this group
 - computation of estate tax, **6:159**
 - conservation easement, **6:112-6:115**
 - debts. See Funeral, administration expenses and debts, deduction for, below in this group
 - exclusion limit for conservation easement, **6:113, 6:114**
 - family owned business interests, **6:133**
 - funeral expenses. See Funeral, administration expenses and debts, deduction for, below in this group
 - land which qualifies for conservation easement, **6:115**

FEDERAL TRANSFER TAX SYSTEM—Cont'd

- Estate tax—Cont'd
 - deductions—Cont'd
 - marital deduction. See Marital deduction, below in this group
 - non-resident citizens, estates of, **6:152**
 - qualified conservation easement, **6:112-6:115**
 - state death taxes, **6:134**
 - definition of general power of appointment, **6:100**
 - executor's commissions, **6:120**
 - exemptions, exceptions, and exclusions
 - conservation easement, exclusion limit for, **6:113, 6:114**
 - powers of appointment, exception to general rule, **6:103**
 - three years of death, gifts within, **6:86, 6:90, 6:91**
 - family owned business interests, deductions, **6:133**
 - foreign country, property located in, **6:84**
 - foreign death taxes, credit for, **6:143-6:145**
 - funeral, administration expenses and debts, deduction for
 - generally, **6:116-6:126**
 - administration expenses, generally, **6:118**
 - appraisal fees, **6:122**
 - attorneys' fees, **6:121**
 - charitable pledges, **6:126**
 - conserving property, costs of, **6:119**
 - executor's commissions, **6:120**
 - income tax for decedent's final year, **6:125**
 - legal fees, **6:121**
 - liens of decedent, **6:124**
 - mortgages of decedent, **6:124**
 - reasonable funeral expenses, **6:117**
 - sale of property, expenses incurred in, **6:123**

**FEDERAL TRANSFER TAX
SYSTEM—Cont'd**

Estate tax—Cont'd
 gross tax determined, **6:162**
 income tax for decedent's final
 year, **6:125**
 insufficient consideration, transfers
 for, **6:105, 6:106**
 IRA benefits, **6:131**
 land which qualifies for conserva-
 tion easement, **6:115**
 lapse of general power of appoint-
 ment, **6:102**
 legal fees, **6:121**
 liens of decedent, **6:124**
 life insurance, **6:90, 6:104, 6:151**
 limitations and restrictions
 alternate valuation, restrictions
 on use, **6:233**
 computation of estate tax,
 restrictions on use, **6:158**
 power of appointment, **6:101**
 marital deduction
 generally, **6:127-6:132**
 history, **6:128**
 interests that qualify, **6:130**
 IRA benefits, **6:131**
 non-U.S. citizens, special
 requirements for, **6:132**
 pre-1982 wills and transition
 rules, **6:129**
 Qualified Domestic Trust, **6:132**
 qualified plan, **6:131**
 marital rights, relinquishment of,
 6:106
 mortgages of decedent, **6:124**
 nature of, **6:16, 6:17**
 non-resident citizens, estates of,
 6:148-6:152
 non-U.S. citizens, special require-
 ments for, **6:132**
 possession, enjoyment or income,
 retained right to, **6:93**
 powers of appointment
 generally, **6:99-6:103**
 definition of general power of
 appointment, **6:100**
 exception to general rule, **6:103**
 lapse of general power, **6:102**

**FEDERAL TRANSFER TAX
SYSTEM—Cont'd**

Estate tax—Cont'd
 powers of appointment—Cont'd
 limited power, **6:101**
 prior taxable gifts, **6:97, 6:98,**
 6:160
 prior transfers, credit for tax on,
 6:139-6:142
 property upon which tax is
 imposed, **6:83-6:110**
 QTIP property, **6:109, 6:110**
 qualified conservation easement,
 6:112-6:115
 Qualified Domestic Trust, **6:132**
 qualified plan, marital deduction,
 6:131
 recovery of taxes claimed as credit,
 6:147
 remainders, credit for death taxes
 on, **6:146**
 restrictions. See Limitations and
 restrictions, above this group
 retained interests, **6:92-6:96, 6:153**
 retained powers, exception for
 transfer of, **6:91**
 retirement plan benefits, **6:107,**
 6:108
 revocable transfers, **6:96**
 sale of property, expenses incurred
 in, **6:123**
 sample computation of estate tax,
 6:164
 special use valuation, **6:156**
 state death taxes
 credit for, **6:138**
 deductions, **6:134**
 state gift taxes not included, **6:89**
 tentative tax determined, **6:161**
 three years of death, gifts within
 generally, **6:85-6:91**
 exceptions, **6:86, 6:90, 6:91**
 life insurance, exception for
 transfer of, **6:90**
 retained powers, exception for
 transfer of, **6:91**
 state gift taxes not included,
 6:89
 transferee tax liability, **6:88**

INDEX

FEDERAL TRANSFER TAX SYSTEM—Cont'd

- Estate tax—Cont'd
 - time valuations, **6:231-6:233**
 - trusts and trust gifts, **5:481**
 - unified credit, **6:136, 6:137**
 - valuation. See Valuation for gift, estate, and generation-skipping tax, below
- ETIP property. See Generation-skipping transfer tax, below
- Exemptions, exceptions, and exclusions
 - estate tax. See Estate tax, above
 - generation-skipping tax. See Generation-skipping transfer tax, below
 - gift tax. See Gift tax, below
- Fair market value, intrafamily transfers made with no evidence of, **6:26**
- Family businesses, **6:133, 6:239**
- Filing requirements, gift tax, **6:34**
- Foreign country, property located in, **6:84**
- Foreign death taxes, credit for, **6:143-6:145**
- Forms 709 and 709A, **6:37**
- Full and adequate consideration, gift tax, **6:22**
- General rules applying to estate and gift taxes, **6:14-6:18**
- Generation-skipping transfer tax
 - generally, **6:165-6:227**
 - allocation of exemption
 - generally, **6:197**
 - donor, timely allocations by, **6:216**
 - effective date of, generally, **6:215-6:222**
 - ETIP property, late allocations, **6:222**
 - late allocations, **6:217, 6:219-6:222**
 - personal representative, timely allocations by, **6:218**
 - assignment of persons to generations, **6:185-6:189**
 - charitable lead annuity trust, **6:193**

FEDERAL TRANSFER TAX SYSTEM—Cont'd

- Generation-skipping transfer tax—Cont'd
 - computation of tax, **6:179-6:184**
 - death, deemed allocation at, **6:225, 6:226**
 - deemed allocations, **6:223-6:226**
 - direct skips, **6:173-6:175, 6:183**
 - distributions, **6:176, 6:180**
 - effective dates, **6:167-6:170**
 - electing out of deemed allocation, **6:224, 6:226**
 - entities, assignment to generations, **6:189**
- ETIP property
 - allocation, effective date of, **6:222**
 - inclusion ratio, **6:194, 6:195**
- exemptions, exceptions, and exclusions
 - allocation of exemption. See Allocation of exemption, above in this group
 - constructive additions, **6:201, 6:202**
 - coverage, exclusions from
 - generally, **6:198-6:209**
 - constructive additions, **6:201, 6:202**
 - gift tax exclusion, transfers which qualify for, **6:208**
 - grandfathered trust, **6:199-6:203**
 - medical expenses, **6:209**
 - power of appointment, lapse of, **6:201**
 - predeceased child rule, **6:204-6:206**
 - release of grandfathered trust, **6:201**
 - terminations subject to estate or gift tax, **6:207**
 - tuition, **6:209**
 - waiver of right of recovery, **6:203**
- gift tax exclusion, transfers which qualify for, **6:208**
- grandfathered trust, **6:199-6:203**

**FEDERAL TRANSFER TAX
SYSTEM—Cont'd**

Generation-skipping transfer tax
—Cont'd
exemptions, exceptions, and exclu-
sions—Cont'd
medical expenses, **6:209**
power of appointment, lapse of,
6:201
predeceased child rule, **6:204-
6:206**
release of grandfathered trust,
6:201
tax, exemptions from
generally, **6:210-6:212**
terminations subject to estate or
gift tax, **6:207**
tuition, **6:209**
valuation rule, exceptions to,
6:214
waiver of right of recovery,
6:203
\$11.58 million per grantor exemp-
tion
generally, **6:211**
amount indexed, **6:212**
gift tax exclusion, transfers which
qualify for, **6:208**
grandfathered trust, **6:199-6:203**
inclusion ratio
generally, **6:190-6:196**
applicable fraction, **6:191**
charitable lead annuity trust,
6:193
ETIP period, **6:194, 6:195**
qualified severance, **6:196**
valuation of property for
determining, **6:192**
income and GST tax, transfer
subject to, **6:181**
lifetime, deemed allocation during,
6:223, 6:224
lineal descendants, assignment of
persons to generations, **6:186**
medical expenses, exclusions from
coverage, **6:209**
mental disability of transferor,
6:170

**FEDERAL TRANSFER TAX
SYSTEM—Cont'd**

Generation-skipping transfer tax
—Cont'd
more than one generation, assign-
ment of persons to genera-
tions, **6:188**
nature of, **6:18**
nonlineal descendants, assignment
of persons to generations,
6:187
nonresident aliens, application of
Chapter 13 to, **6:227**
objective of, **6:166**
overview, **6:6**
persons responsible for paying tax,
6:178
power of appointment, lapse of,
6:201
predeceased child rule, **6:204-
6:206**
rate, **6:171**
release of grandfathered trust,
6:201
state GST, credit for, **6:184**
taxable events, **6:172-6:177**
terminations, **6:177, 6:182, 6:207**
time valuations, **6:234**
tuition, exclusions from coverage,
6:209
valuation. See Valuation for gift,
estate, and generation-skip-
ping tax, below
waiver of right of recovery, **6:203**
Gift tax
generally, **6:19-6:80**
annual exclusion, **6:46-6:49**
basis in property received as gift,
6:76
business transactions, **6:29**
calculation of gift tax, **6:80**
consideration, **6:22**
current gift tax rate schedule, **6:79**
deductions. See Exclusions and
deductions, below
definitions, **6:21-6:24, 6:59**
delivery of qualified disclaimers,
6:67

INDEX

FEDERAL TRANSFER TAX SYSTEM—Cont'd

Gift tax—Cont'd

- disclaimers
 - generally, **6:63-6:75**
 - acceptance, **6:69**
 - delivery of qualified disclaimers, **6:67**
 - entire interest or undivided portion of interest, **6:70**
 - nontax reasons for disclaiming property interests, **6:73**
 - pass without direction to decedent's spouse, **6:71**
 - qualified disclaimers, **6:65-6:71**
 - reasons for disclaiming property interests, **6:72-6:75**
 - significance of disclaimers, **6:64**
 - tax reasons for disclaiming property interests, **6:74**
 - timely disclaimers, **6:68**
 - unplanned disclaimers, **6:75**
 - writing required for qualified disclaimers, **6:66**
- donee's basis in property received as gift, **6:76**
- entire interest or undivided portion of interest, disclaimers, **6:70**
- exclusions and deductions
 - generally, **6:45-6:62**
 - annual exclusion, **6:46-6:49**
 - Crummey provisions. See Powers of appointment and Crummey provisions, below
 - generation-skipping transfer tax, transfers which qualify for gift tax exclusion, **6:208**
 - increases in annual exclusion, **6:48**
 - powers of appointment. See Powers of appointment and Crummey provisions, below
 - split gifts, **6:50**
 - trust gifts, annual exclusion, **6:49**
- exemptions and exceptions
 - exclusions. See Exclusions and deductions, above in this group

FEDERAL TRANSFER TAX SYSTEM—Cont'd

Gift tax—Cont'd

- exemptions and exceptions—Cont'd
 - gifts made within three years of death, exceptions for, **6:24**
- fair market value, intrafamily transfers made with no evidence of, **6:26**
- filing requirements, **6:34**
- forms 709 and 709A, **6:37**
- full and adequate consideration, **6:22**
- genuine disputes, intrafamily transfers, **6:27**
- gifts made prior to 1976, **6:78**
- gratuitous services, **6:44**
- interest-free loans, **6:42**
- intrafamily transfers, valuation of, **6:25-6:27**
- lapse of general power of appointment, **6:53**
- life estate interests, gifts of, **6:28**
- limits on deductibility of tuition, **6:60**
- medical expenses, gifts of, **6:62**
- minors, gifts for benefit of, **6:56**
- nature of, **6:15**
- net gifts, **6:32**
- notice of powers of appointment and Crummey provisions, **6:54**
- penalties for late filing, **6:39**
- powers of appointment and Crummey provisions
 - generally, **6:51-6:55**
 - lapse of general power of appointment, **6:53**
 - non-beneficiaries of trust, **6:52**
 - notice, **6:54**
 - time to exercise Crummey power, **6:55**
- property settlements, **6:30**
- QTIP trusts, gifts to, **6:35**
- qualified disclaimers, **6:65-6:71**
- qualified tuition programs, **6:61**
- rate schedule, **6:79**
- rent-free use of property, **6:42**

**FEDERAL TRANSFER TAX
SYSTEM—Cont'd**

Gift tax—Cont'd
 reporting of gift tax
 generally, **6:33-6:39**
 filing requirements, **6:34**
 forms 709 and 709A, **6:37**
 penalties for late filing, **6:39**
 QTIP trusts, gifts to, **6:35**
 split gifts, **6:36**
 retained income interest, **6:43**
 split gifts
 generally, **6:31**
 exclusions and deductions, **6:50**
 reporting of gift tax, **6:36**
 support obligations, **6:30**
 three years of death, exception for
 gifts made within, **6:24**
 time or date
 Crummey power, time to
 exercise, **6:55**
 disclaimers, timeliness of, **6:68**
 filing, timeliness of, **6:38**
 valuations, **6:230**
 transfers subject to tax, **6:40-6:44**
 trust gifts, annual exclusion, **6:49**
 tuition, gifts of, **6:57-6:61**
 unified credit, **6:77**
 unplanned disclaimers, **6:75**
 valuation. See Valuation for gift,
 estate, and generation-skip-
 ping tax, below
 writing required for qualified
 disclaimers, **6:66**
 Grandfathered trust, generation-skip-
 ping transfer tax, **6:199-6:203**
 Gratuitous services, gift tax, **6:44**
 Gross estate tax determined, **6:162**
 Inclusion ratio. See Generation-skip-
 ping transfer tax, above
 Income taxes
 estate tax, income tax for
 decedent's final year, **6:125**
 generation-skipping transfer tax,
 transfer subject to income and
 GST tax, **6:181**
 Insufficient consideration, transfers
 for, **6:105, 6:106**

**FEDERAL TRANSFER TAX
SYSTEM—Cont'd**

Interest-free loans, gift tax, **6:42**
 Intrafamily transfers, valuation of,
 6:25-6:27
 IRA benefits, **6:131**
 Land which qualifies for conservation
 easement, **6:115**
 Lapse of general power of appoint-
 ment, **6:53, 6:102**
 Legal fees, **6:121**
 Liens of decedent, **6:124**
 Life estates, remainders, and rever-
 sions
 credit for death taxes on
 remainders, **6:146**
 gifts of life estate interests, **6:28**
 Life insurance, **6:90, 6:104, 6:151**
 Lifetime, deemed allocation during,
 6:223, 6:224
 Limitations and restrictions. See
 Estate tax, above
 Limited power of appointment, **6:101**
 Limits on deductibility of tuition,
 6:60
 Lineal descendants, assignment of
 persons to generations, **6:186**
 Marital deduction. See Estate tax,
 above
 Marital rights, relinquishment of,
 6:106
 Medical expenses, **6:62, 6:209**
 Mental disability of transferor, **6:170**
 Minors
 gifts for benefit of, **6:56**
 predeceased child rule, generation-
 skipping transfer tax, **6:204-
 6:206**
 premium and discount values,
 minority and lack of market-
 ability discounts of business
 interests, **6:237**
 More than one generation, assign-
 ment of persons to generations,
 6:188
 Mortgages of decedent, **6:124**
 Net gifts, **6:32**
 Nonlinear descendants, assignment of
 persons to generations, **6:187**

INDEX

FEDERAL TRANSFER TAX SYSTEM—Cont'd

Nonresident aliens, application of Chapter 13 to, **6:227**
Non-resident citizens, estates of, **6:148-6:152**
Non-U.S. citizens, special requirements for, **6:132**
Notice of powers of appointment and Crummey provisions, **6:54**
Penalties
 gift tax, penalties for late filing, **6:39**
 undervaluation, penalty for, **6:249**
Possession, enjoyment or income, retained right to, **6:93**
Powers of appointment
 estate tax. See Estate tax, above
 generation-skipping transfer tax, lapse of power, **6:201**
 gift tax. See Gift tax, above
Predeceased child rule, generation-skipping transfer tax, **6:204-6:206**
Premium and discount values, **6:235-6:239**
Prior taxable gifts, **6:97, 6:98, 6:160**
Prior transfers, credit for tax on, **6:139-6:142**
Property settlements, **6:30**
QTIP property, **6:35, 6:109, 6:110**
Qualified conservation easement, **6:112-6:115**
Qualified disclaimers, **6:65-6:71**
Qualified Domestic Trust, **6:132**
Qualified plan, **6:131**
Qualified tuition programs, **6:61**
Rate schedule for gift tax, **6:79**
Recovery of taxes claimed as credit, **6:147**
Release of grandfathered trust, **6:201**
Remainders. See Life estates, remainders, and reversions, above
Rent-free use of property, **6:42**
Reports and reporting. See Gift tax, above
Restrictions. See Estate tax, above

FEDERAL TRANSFER TAX SYSTEM—Cont'd

Retained interests, **6:43, 6:92-6:96, 6:153**
Retained powers, exception for transfer of, **6:91**
Retirement plan benefits, **6:107, 6:108**
Reversions. See Life estates, remainders, and reversions, above
Revocable transfers, estate tax, **6:96**
Sale of property, expenses incurred in, **6:123**
Sample computation of estate tax, **6:164**
Special use valuation, **6:156, 6:247, 6:248**
Split gifts. See Gift tax, above
Split interest transfers restricted, **6:244**
State death taxes
 credit for, **6:138**
 deductions, **6:134**
State gift taxes, **6:89**
State GST, credit for, **6:184**
Support obligations, gift tax, **6:30**
Tentative estate tax determined, **6:161**
Terminations, generation-skipping transfer tax, **6:177, 6:182, 6:207**
Three years of death, gifts within estate tax. See Estate tax, above
 gift tax exception, **6:24**
Time or date
 Crummey power, time to exercise, **6:55**
 disclaimers, timeliness of, **6:68**
 gift tax. See Gift tax, above
 valuations. See Valuation for gift, estate, and generation-skipping tax
Trusts and trust gifts, **5:481, 6:49**
Tuition
 generation-skipping transfer tax, **6:209**
 gift tax, **6:57-6:61**
Undivided interests in real estate, **6:236**

**FEDERAL TRANSFER TAX
SYSTEM—Cont'd**

Unified credit
estate tax, **6:136, 6:137**
gift tax, **6:77**
Unified federal estate and gift tax
system, **6:2-6:5**
Unplanned disclaimers, **6:75**
Valuation for gift, estate, and genera-
tion-skipping tax
generally, **6:228-6:249**
anti-freeze provision, **6:241**
anti-Harrison rule, **6:246**
buy-sell restrictions, **6:245**
chapter 14, valuation principles of
generally, **6:240-6:246**
anti-freeze provision, **6:241**
anti-Harrison rule, **6:246**
buy-sell restrictions, **6:245**
common law GRITs, **6:242,**
6:243
split interest transfers restricted,
6:244
transfers with retained interests,
6:94
common law GRITs, **6:242, 6:243**
computation of estate tax, **6:155-**
6:158
control premium, **6:238**
definition of gift, **6:23**
discount values, **6:235-6:239**
family limited partnerships, **6:239**
inclusion ratio, generation-skip-
ping transfer tax, **6:192**
intrafamily transfers, valuation of,
6:25-6:27
minority and lack of marketability
discounts of business
interests, **6:237**
penalty for undervaluation, **6:249**
premium and discount values,
6:235-6:239
qualifying for special use valua-
tion, **6:248**
special use valuation, **6:247, 6:248**
split interest transfers restricted,
6:244
time of valuation
generally, **6:229-6:234**

**FEDERAL TRANSFER TAX
SYSTEM—Cont'd**

Valuation for gift, estate, and genera-
tion-skipping tax—Cont'd
time of valuation—Cont'd
estate tax, **6:231-6:233**
generation-skipping tax, **6:234**
gift tax, **6:230**
transferred property, valuation of,
6:213, 6:214
undivided interests in real estate,
6:236
Waiver of right of recovery, genera-
tion-skipping transfer tax, **6:203**
Writing required for qualified
disclaimers, **6:66**

FEES

Attorneys' fees. See index heading
ATTORNEYS' FEES
Trusts, **5:25**
Wills, **4:478**

FEE SIMPLE

Wills, **4:245- 4:247**

FELONS

Wills, **4:147**

FERTILE OCTOGENARIAN

Trusts, **5:170**

FIDUCIARIES

Disclaimers, **15:69**
Dispositive planning, **10:18-10:25**
Lifetime planning. See index heading
LIFETIME PLANNING
Trusts. See index heading TRUSTS
Wills
general discussion, **4:136- 4:228**
for detailed treatment see index
heading WILLS

FILING AND RECORDING

Attorney-client relationship, file
retention, **2:83-2:85**
Disclaimers, filing requirements,
15:47, 15:48
Federal transfer tax system, **6:34**
Wills, **4:500**

INDEX

FINANCIAL INSTITUTION TRANSACTIONS

Durable power of attorney for, **9:37**

FINANCIAL PLANNERS AND ADVISORS

Dispositive planning, **10:44**

Information gathering and counseling
of client, **3:16**

FINANCIAL STABILITY

Trusts, **5:314**

FIRST TAKER FAVORED IN LAW

Wills, **4:369**

FIRST TIER AMOUNTS

Income taxation of trusts and estates,
7:49, 7:52

FIVE AND FIVE POWER

Bypass trusts, **12:40**

FIVE MILLION DOLLARS

Taxable estate over or under, **12:319,**
12:320

FIVE YEAR AVERAGING

Retirement plans and planning, **8:34**

FIXED ATTORNEYS' FEES

Attorney-client relationship, manag-
ing of, **2:65**

FLEXIBILITY

Trusts, **5:144- 5:148**

FORCED HEIRSHIP

Community property system, **1:49**

FOREIGN STATE OR COUNTRY

Federal transfer tax system, **6:84,**
6:143-6:145

Tax planning. See index heading TAX
PLANNING

FORFEITURE CLAUSE

Wills, **4:311- 4:316**

FORMS

Attorney-client relationship, manag-
ing of
attorneys' fees, form of agreement
for, **2:91**

FORMS—Cont'd

Attorney-client relationship, manag-
ing of—Cont'd
declining representation letter,
form of, **2:92**
disclosure language, form of fee
agreement with, **2:91**
engagement letter, form of, **2:90**
withdrawal from representation
letter, form of, **2:93**

Attorneys

fees, form of fee agreement with
disclosure language, **2:91**
relationship with clients. Attorney-
client relationship, managing
of, above

trusts

joint representation statement,
5:523

multiple generations of same
family, form of representa-
tion statement for, **5:524**

withdrawal letter, **2:93**

Attorneys' fees, form of fee agree-
ment with disclosure language,
2:91

Beneficiaries

life/accident insurance, form of
beneficiary designation for,
3:68

retirement plans and planning, ben-
eficiary designations, **8:275,**
8:278- 8:282

Charitable remainder annuity trust,
5:533

Credit shelter bypass trust, **4:541,**
5:529

Crummey powers, **5:532**

Disclaimers

generally, **4:539**
general disclaimer, **15:107**
partial disclaimer, **15:109**
retirement plans and planning,
form of disclaimer of trust,
8:272

total disclaimer, **15:108**

Disclosure

attorneys' fee agreement with
disclosure language, **2:91**

FORMS—Cont'd

Durable power of attorney. Lifetime planning, below

Family limited partnerships
certificate of limited partnership, **13:64**
manager, limited partnership with partnership manager, **13:65**

Guardian, lifetime planning, form of Estates Code declaration of guardian, **9:108**

Holographic will, self-proving affidavit, **4:537**

Information gathering and counseling of client
beneficiary designation for corporate employee life/accident insurance, **3:68**
corporate employee life/accident insurance, form of beneficiary designation for, **3:68**
life/accident insurance, form of beneficiary designation for, **3:68**

Insurance
life/accident insurance, form of beneficiary designation for, **3:68**
life insurance trust
Crummey powers, **5:532**
irrevocable trust, **5:532**

Inter vivos trust, form of postponement of distribution of, **5:537**

In terrorem clause, **5:528**

IRAs. Retirement plans and planning, below

IRD, allocation to marital deduction amount, **8:283**

Irrevocable trust, **5:532**

Joint representation statement, **5:523**

Life insurance trust. Trusts, below

Lifetime planning
directive to physicians, statutory form for, **9:107**
durable power of attorney
general durable power of attorney, **9:102**
notice of revocation of general power of appointment, **9:104**

FORMS—Cont'd

Lifetime planning—Cont'd
durable power of attorney—Cont'd
special/limited power of attorney, **9:103**
statutory forms, **9:102**
general durable power of attorney, **9:102**
guardian, form of Estates Code declaration of, **9:108**

Health and Safety Code Section 711.002 appointment of agent to control disposition of remains, **9:110**

medical power of attorney, statutory form of, **9:105**

mental health treatment, statutory form for declaration of, **9:106**

notice of revocation of general power of appointment, **9:104**

power of attorney
durable power of attorney, above, this group
notice of revocation of general power of appointment, **9:104**

remains
Health and Safety Code Section 711.002 appointment of agent to control disposition of remains, **9:110**
letter directive for disposition of remains, **9:109**
special/limited power of attorney, **9:103**

Marital deduction amount, form of allocation of IRD to, **8:283**

Marital deduction trust. Trusts, below

Medical power of attorney, statutory form of, **9:105**

Mental health treatment, statutory form for declaration of, **9:106**

Notice, lifetime planning, notice of revocation of general power of appointment, **9:104**

Physicians, directive to physicians, statutory form for, **9:107**

Postponement of distribution, **5:537**

Power of attorney. Lifetime planning, above

INDEX

FORMS—Cont'd

QDOT trust, **5:531**

QTIP lead trust, **4:542**

QTIP trust

generally, **5:530**

QTIP lead trust and residuary
credit shelter bypass trust,
4:542

QTIP residuary trust, credit shelter
bypass trust and, **4:541**

retirement plans and planning,
QTIP trust, form of will pro-
visions relating to, **8:277**

Remains

lifetime planning, above
wills, form of appointment of
agent to control disposition of
remains, **4:538**

Removal of trustee, **5:527**

Retirement plans and planning

beneficiary designations, **8:275**

disclaimer of trust, **8:272**

form of revocable plan benefits
trust, **8:276**

gift of NPSs interest to participant,
8:271

IRAs

agreement relating to, **8:273**,
8:274

beneficiary designations, **8:278**-
8:282

IRD, allocation to marital deduc-
tion amount, **8:283**

marital deduction amount, form of
allocation of IRD to, **8:283**

QTIP trust, form of will provisions
relating to, **8:277**

will provisions, form of revocable
plan benefits trust, **8:276**

Section 142 trust. Trusts, below

Self-proving affidavit, **4:535**, **4:536**,
4:537

Small trust provision, **5:525**

Trusts

attorneys

joint representation statement,
5:523

multiple generations of same
family, form of representa-

FORMS—Cont'd

Trusts—Cont'd

attorneys—Cont'd

tion statement for, **5:524**

bypass trusts, credit shelter bypass
trust, **5:529**

charitable remainder annuity trust,
5:533

credit shelter bypass trust, **5:529**

Crummey powers, **5:532**

In terrorem clause, **5:528**

inter vivos trust, form of postpone-
ment of distribution of, **5:537**

irrevocable trust, **5:532**

joint representation statement,
5:523

life insurance trust

Crummey powers, **5:532**

irrevocable trust, **5:532**

marital deduction trust

QDOT trust, **5:531**

QTIP trust, **5:530**

multiple generations of same fam-
ily, form of representation
statement for, **5:524**

postponement of distribution,
5:537

QDOT trust, **5:531**

QTIP trust, **5:530**

removal of trustee, **5:527**

section 142 trust

application, **5:534**

decree for, **5:535**

standard 142 trust for healthy
minor, **5:536**

section 2503(c) trust, **5:538**

small trust provision, **5:525**

successor trustee provision, **5:526**

trustee, removal of trustee, **5:527**

Wills

credit shelter bypass trust and
QTIP residuary trust, form of
will with, **4:541**

disclaimer will, **4:539**

disposition of remains, form of
appointment of agent to
control, **4:538**

holographic will, self-proving affi-
davit, **4:537**

FORMS—Cont'd

Wills—Cont'd

- outright marital and residuary credit shelter bypass trust, form of will with, **4:543**
- QTIP lead trust and residuary credit shelter bypass trust, form of will with, **4:542**
- remains, form of appointment of agent to control disposition of, **4:538**
- retirement plans and planning, form of revocable plan benefits trust, **8:276**
- self-proving affidavit, **4:535, 4:536, 4:537**
- simple will, no tax planning, **4:540**
- Withdrawal, attorney withdrawal letter, **2:93**

FORMULAS

- Disclaimers, formula amount, **15:33**
- Income taxation of trusts and estates, formula gifts or debts, **7:106-7:109**
- Tax planning. See index heading TAX PLANNING

FOUR TRUST REGULATORY REQUIREMENTS

- Retirement plans and planning, **8:105**

FRACTIONS AND FRACTIONAL SHARES

- Retirement plans and planning, **8:186**
- Tax planning. See index heading TAX PLANNING
- Wills, **4:288**

FRANCHISE TAXES

- Business planning, **11:42**
- Family limited partnerships, **13:46, 13:55**

FRAUD AND DECEIT

- Attorney-client relationship, false statements, **2:37**
- Community property system, fraud on spouse doctrine, **1:44**
- Trusts, fraudulent purposes, **5:165-5:167**
- Wills, **4:504, 4:521, 4:525**

FULL DISCLOSURE

- Attorney-client relationship, managing of, **2:23**

FULL OR TOTAL DISCLAIMERS

- General discussion, **15:17**

FUNDING

- Family limited partnerships, **13:58-13:63**
- Insurance trust, **5:491**
- Tax planning. See index heading TAX PLANNING

FUNERALS AND FUNERAL EXPENSES

- Information gathering and counseling of client as to cemetery plot, **3:22**
- Instructions for burial, **9:92**
- Lifetime planning, **9:99, 9:100**
- Trusts, **5:382**
- Wills, **4:108**

FUTURE INTEREST

- Dispositive planning, **10:106**

GENERAL DURABLE POWER OF ATTORNEY

- General discussion, **9:13**

GENERATION-SKIPPING TRANSFER TAXES

- Closely held business or stock, long-term payout of estate taxes, **11:139**
- Disclaimers, **15:35**
- Federal transfer tax system generally, **6:165-6:227**
 - for detailed treatment see index heading FEDERAL TRANSFER TAX SYSTEM
- Information gathering and counseling of client, **3:56**
- Retirement plans. See index heading RETIREMENT PLANS AND PLANNING
- Tax planning
 - general discussion, **12:19-12:21, 12:83-12:87**
 - for detailed treatment see index heading TAX PLANNING

INDEX

GENERATION-SKIPPING

TRANSFER TAXES—Cont'd

Texas transfer tax system
for detailed treatment see index
heading TEXAS TRANSFER TAX
SYSTEM

Trusts
general discussion, **5:467- 5:479**
for detailed treatment see index
heading TRUSTS

Wills, **4:250**

GIFTS AND GRATUITIES

Federal transfer tax system, gratu-
itous services, **6:44**

Income taxation of trusts and estates,
7:114

Lifetime planning. See index heading
LIFETIME PLANNING

Tax planning
general discussion, **12:118-12:233**
for detailed treatment see index
heading TAX PLANNING

GIFT TAXES

Dispositive planning, **10:33, 10:34**

Federal transfer tax system
generally, **6:19-6:80**
for detailed treatment see index
heading FEDERAL TRANSFER TAX
SYSTEM

Grantor-retained annuity trusts, **11:89**

Income taxation of trusts and estates,
7:85

Information gathering and counseling
of client, **3:55**

Retirement plans and planning, **8:82**

Tax planning
general discussion, **12:11-12:18**
for detailed treatment see index
heading TAX PLANNING

GOALS OF ESTATE PLANNING

General discussion, **1:7-1:30**

Access, control over, **1:28**

Constraints, **1:30**

Control of assets, generally, **1:22-
1:29**

Disabled persons, transfers to, **1:11**

Dispositive desires, generally, **1:7**

GOALS OF ESTATE PLANNING —Cont'd

Distribution, control over, **1:29**

Effective management, **1:13-1:15**

Minors, transfers to, **1:11**

Protecting assets, **1:12-1:21**

Tax minimization, **1:13-1:16**

Third parties, protecting from loss to,
1:17-1:21

Transfer to desired beneficiaries, **1:8-
1:11**

GOOD FAITH

Trustees duty of, **5:364**

GOVERNING AUTHORITY AND LAW

Community property system, **1:47**

Disclaimers, **15:2-15:4**

Trusts
general discussion, **5:32- 5:54**
for detailed treatment see index
heading TRUSTS

GRANDCHILDREN

Dispositive planning
general discussion, **10:147-10:153**
for detailed treatment see index
heading DISPOSITIVE PLANNING

Tax planning. See index heading TAX
PLANNING

GRANDFATHERED TRUST

Federal transfer tax system, **6:199-
6:203**

GRANTOR

Trusts. See index heading TRUSTS

GRANTOR RETAINED ANNUITY TRUST (GRAT)

Tax planning
general discussion, **12:246-12:290**
for detailed treatment see index
heading TAX PLANNING

GRANTOR RETAINED INCOME TRUST (GRIT)

Business planning, **11:4**

Tax planning. See index heading TAX
PLANNING

GRATUITIES

See index heading GIFTS AND
GRATUITIES

GRIEF

Attorney-client relationship, manag-
ing of, **2:15**

GROSS ESTATE TAX

Federal transfer tax system, **6:162**

GROSS INCOME

Income taxation of trusts and estates,
7:8

GST TAXES

See index heading GENERATION-SKIPPING
TRANSFER TAXES

**GUARDIANS AND
GUARDIANSHIP**

Disclaimers, **15:80**

Dispositive planning, **10:86**

Lifetime planning. See index heading
LIFETIME PLANNING

Trusts. See index heading TRUSTS

Wills
general discussion, **4:223- 4:228**
for detailed treatment see index
heading WILLS

HANDICAPPED PERSONS

See index heading DISABILITY

HANGING POWER

Life insurance trusts, **5:490**

HEALTH OF GRANTOR

Grantor retained annuity trust
(GRAT), **12:287**

HEIRS

Disclaimers, **15:85**

Wills. See index heading WILLS

**HIGHLY APPRECIATING
PROPERTY**

Dynasty trust fund with, **12:214,**
12:215

HOLOGRAPHIC WILLS

Wills
general discussion, **4:74- 4:82**

HOLOGRAPHIC WILLS—Cont'd

Wills—Cont'd
for detailed treatment see index
heading WILLS

HOMESTEAD

Dispositive planning, **10:169**

Domicile, **1:82**

Tax planning. See index heading TAX
PLANNING

Wills, **4:41, 4:355- 4:357**

HOSPITALIZED TESTATOR

Testamentary capacity, **4:98**

HOUSEHOLD EFFECTS

Wills, **4:130**

HUSBAND AND WIFE

See index heading SPOUSES

**IDENTIFICATION AND
DESCRIPTION**

Income taxation of trusts and estates,
7:90-7:92

Information gathering and counseling
of client, **3:35, 3:66**

Trusts, identification of client, **5:4**

Will beneficiary
general discussion, **4:229- 4:243**
for detailed treatment see index
heading WILLS

ILLEGITIMATE CHILDREN

Wills, **4:119, 4:393**

IMPARTIALITY

Trustee's duty of, **5:363**

IMPLIED POWERS

Trustee, **5:384**

**INCAPACITATED
BENEFICIARIES**

Trusts, **5:132, 5:269- 5:271**

INCARCERATED PERSONS

Wills, **4:36**

INCLUSION RATIO

Federal transfer tax. See index head-
ing FEDERAL TRANSFER TAX SYSTEM

INDEX

INCOME

Retirement plans. See index heading
RETIREMENT PLANS AND PLANNING

Tax. See index heading INCOME TAX

Trusts. See index heading TRUSTS

INCOME TAX

Family limited partnerships, **13:49-13:54**

Trusts and estates. See index heading
INCOME TAXATION OF TRUSTS AND
ESTATES

INCOME TAXATION OF TRUSTS AND ESTATES

General discussion, **7:1-7:121**

Accumulation distribution rules, **7:21**

Adjusted gross income
general discussion, **7:9-7:13**
depreciation, depletion, amortiza-
tion, **7:13**

distribution deduction, **7:10**

no standard deduction, **7:12**

two percent floor, elimination of,
7:11

Administrative powers held by
grantor, **7:71**

Aggregate inclusion to distributable
net income, limitation of, **7:35**

Amortization, adjusted gross income,
7:13

Annuities, special classification of,
7:51-7:53

Basic terms and concepts, **7:7-7:23**

Basis for tax

general discussion, **7:113-7:121**

beneficiaries, **7:121**

capital gains tax rules, repeal of
application of, **7:118**

decedent's estate, **7:119, 7:120**

gifts, **7:114**

inter vivos trust included in
deceased's estate, **7:117**

repeal of application of capital
gains tax rules, **7:118**

testamentary trust, **7:116**

trusts, **7:115-7:118**

Beneficiaries

basis for tax, **7:121**

complex trusts, **7:36**

INCOME TAXATION OF TRUSTS AND ESTATES—Cont'd

Beneficiaries—Cont'd

different taxable years for trust and
beneficiary, **7:29, 7:38**

simple trusts, limitations on tax-
ability of beneficiaries, **7:27**

Capital gains tax rules, repeal of
application of, **7:118**

Character of amounts in hands of
beneficiaries, **7:28**

Complex trusts

general discussion, **7:30-7:40**

aggregate inclusion to distributable
net income, limitation of,
7:35

amounts required to be distributed
currently, **7:57**

annuities, special classification of,
7:51-7:53

beneficiaries, income taxation of,
7:36

different taxable years for trust and
beneficiary, **7:38**

distributable net income (DNI),
limitations on, **7:33, 7:34**

distributions of in-kind property,
7:37

effect of complex trust treatment,
7:32-7:37

election, requirements for, **7:60**

exclusion of certain gifts or
bequests, **7:40**

first tier, **7:52**

first tier amounts, **7:49**

in-kind distributions, **7:37, 7:59**

legal obligations, amounts used to
discharge, **7:55**

limitations

aggregate inclusion to distribut-
able net income, **7:35,**
7:56-7:58

amount of DNI, **7:33**

character of DNI, **7:34**

mutual exclusivity of tiers, lack of,
7:54

other amounts distributed, **7:58**

second tier amounts, **7:50, 7:53**

**INCOME TAXATION OF TRUSTS
AND ESTATES—Cont'd**

Complex trusts—Cont'd
 separate shares treated as separate trusts, **7:39**
 simple vs complex trusts, **7:22**
 taxation requirements, **7:31**
 trust distributions, income taxation of, generally, **7:47-7:60**
 two tier system, **7:48-7:50**
 unification of tax treatment of revocable trusts and estates, **7:41**

Debts, distribution of estate assets in satisfaction of, **7:108**

Deductions
 estates, income taxation of, **7:87**
 wastage of, **7:46**

Depletion, adjusted gross income, **7:13**

Depreciation, adjusted gross income, **7:13**

Different taxable years for trust and beneficiary, **7:29, 7:38**

Disclaimers, income taxation of trust distributions, **7:83-7:85**

Dispositive planning, **10:37, 10:76, 10:236**

Distributable net income (DNI)
 basic terms and concepts, **7:15**
 complex trusts, limitations on DNI, **7:33, 7:34**
 estates, income taxation of, **7:101-7:105**
 simple trusts, computation of DNI, **7:25**

Distribution deduction, adjusted gross income, **7:10**

Distributions
 estate taxation of. See Estates, income taxation of, below
 in-kind distributions, **7:37, 7:59**

Election, requirements for complex trusts, **7:60**

Employer identification number (EIN), **7:2**

Estate election, fiscal or calendar tax year, **7:6**

**INCOME TAXATION OF TRUSTS
AND ESTATES—Cont'd**

Estates, income taxation of
 general discussion, **7:86-7:112**
 application of general income tax principles, **7:86**
 debts, distribution of estate assets in satisfaction of, **7:108**
 deductions in respect of decedent, **7:87**
 distributable net income, generally, **7:101-7:105**
 distributions, taxation of, generally, **7:100-7:110**
 expenses of estate, allocation of, **7:93, 7:97-7:99**
 formula gifts or debts, distribution of estate assets in satisfaction of, **7:106-7:109**
 identification of income, **7:90-7:92**
 income, allocation of, generally, **7:88-7:96**
 net income, allocation of, **7:94-7:96**
 non pro-rata distribution of estate assets, **7:110**
 pecuniary gifts, distribution of estate assets in satisfaction of, **7:107**
 residuary income, allocation of net income, **7:96**
 Section 643(e)(3) election, **7:109**
 separate share rule exception to distributable net income, **7:105**
 special rules relating to income of decedent, **7:86**
 specific bequests, **7:95, 7:102-7:104**
 statutory allocation of income and expenses, **7:92, 7:99**
 termination of distributions, **7:111, 7:112**
 three installments, determination of, **7:104**
 undue prolongation of estate administration, **7:112**
 will, allocation of expenses and income in accordance with, **7:91, 7:98**

INDEX

INCOME TAXATION OF TRUSTS AND ESTATES—Cont'd

- Exceptions to separate taxpayer rule, **7:3, 7:4**
- Exclusion of certain gifts or bequests, **7:40**
- Expenses of estate, allocation of, **7:93, 7:97-7:99**
- Federal transfer tax system. See index heading **FEDERAL TRANSFER TAX SYSTEM**
- Fiduciary, basic terms and concepts, **7:9**
- Final distribution, termination of distributions on, **7:64**
- First tier amounts, complex trusts, **7:49, 7:52**
- Formula gifts or debts, distribution of estate assets in satisfaction of, **7:106-7:109**
- Gifts, basis for tax, **7:114**
- Gift tax and income tax, relationship of, **7:85**
- Grantor retained annuity trusts, **11:94-11:99**
- Grantor trust exception to separate taxpayer rule, **7:4**
- Gross income, basic terms, **7:8**
- Identification of income, **7:90-7:92**
- Income in respect to decedent, basic terms, **7:16**
- In-kind distributions, **7:37, 7:59**
- Inter vivos trust included in deceased's estate, **7:117**
- Legal obligations, amounts used to discharge, **7:55**
- Limitations
 - complex trusts. See **Complex trusts**, above
 - simple trusts, limitations on taxability of beneficiaries, **7:27**
 - sixty-five day rule, limitations on, **7:19**
- Maximum taxability fixed by distributable net income, **7:45**
- Multiple trusts and separate taxpayer rule, **7:3**
- Mutual exclusivity of tiers, lack of, **7:54**

INCOME TAXATION OF TRUSTS AND ESTATES—Cont'd

- Net income, allocation of, **7:94-7:96**
- Non pro-rata distributions, **7:61, 7:110**
- Pecuniary gifts, distribution of estate assets in satisfaction of, **7:107**
- Procedure to make sixty-five day rule election, **7:20**
- Prolongation of estate administration, **7:112**
- Qualified disclaimer, effect of, **7:84**
- Repeal of application of capital gains tax rules, **7:118**
- Residuary income, allocation of, **7:96**
- Retained interests, grantor trust based on, **7:75-7:77**
- Retained powers, grantor trust based on, **7:69-7:74**
- Retirement plans. See index heading **RETIREMENT PLANS AND PLANNING**
- Reversionary interests, grantor trust based on, **7:68**
- Revocation, grantor trust based on retained powers, **7:72**
- Second tier, complex trusts, **7:50, 7:53**
- Section 643(e)(3), income taxation of estates, **7:109**
- Separate share rule, **7:14, 7:39, 7:105**
- Separate taxpayers, estates and trusts as, **7:1-7:4**
- Simple trusts
 - general discussion, **7:23-7:29**
 - character of amounts in hands of beneficiaries, **7:28**
 - death, special rule in case of, **7:44**
 - deductions, wastage of, **7:46**
 - different taxable years, income reporting for trust and beneficiary with, **7:29**
 - DNI, computation of, **7:25**
 - effect of simple trust treatment, **7:26-7:28**
 - limitations on taxability of beneficiaries, **7:27**
 - maximum taxability fixed by distributable net income, **7:45**
 - taxation requirements for, **7:24**

**INCOME TAXATION OF TRUSTS
AND ESTATES—Cont'd**

Simple trusts—Cont'd
 trust distributions, income taxation
 of, generally, **7:43-7:46**
 wastage of deductions, **7:46**
 Simple vs complex trusts, **7:22**
 Sixty-five day rule, **7:18-7:20**
 Special rules
 income of decedent, **7:86**
 simple trusts in case of death, **7:44**
 Specific bequests, **7:95, 7:102-7:104**
 Stated events, termination of distribu-
 tions on, **7:63**
 Statutory allocation of income and
 expenses, **7:92, 7:99**
 Subchapter J, application of, **7:5**
 Support obligations, **7:77, 7:82**
 Tax planning. See index heading TAX
 PLANNING
 Tentative taxable income, **7:17**
 Termination of distributions
 estates, income taxation of, **7:111,**
 7:112
 trust distributions, income taxation
 of, **7:62-7:64**
 Testamentary trust, basis for tax,
 7:116
 Three installments, determination of,
 7:104
 Transfer taxes
 general discussion, **6:8-6:13**
 for detailed treatment see index
 heading TRANSFER TAXATION
 Trust distributions, income taxation
 of
 general discussion, **7:42-7:85**
 administrative powers, grantor
 treated as owner and taxpayer,
 7:71
 complex trusts. See Complex
 trusts, above
 disclaimer, effect of, **7:83-7:85**
 final distribution, termination of
 distributions on, **7:64**
 gift tax and income tax, relation-
 ship of, **7:85**

**INCOME TAXATION OF TRUSTS
AND ESTATES—Cont'd**

Trust distributions, income taxation
 of—Cont'd
 grantor treated as owner and
 taxpayer
 general discussion, **7:65-7:78**
 administrative powers, **7:71**
 adverse parties, **7:73, 7:74**
 beneficial enjoyment, **7:70**
 consequences of grantor trust
 status, **7:78**
 current taxation, **7:67**
 historical overview, **7:66**
 retained interests, grantor trust
 based on, **7:75-7:77**
 retained powers, grantor trust
 based on, **7:69-7:74**
 reversionary interests, grantor
 trust based on, **7:68**
 revocation, **7:72**
 support obligations, ability to
 discharge, **7:77**
 nongrantor treated as owner and
 taxpayer
 general discussion, **7:79-7:85**
 current taxation, **7:81**
 disclaimer, effect of, **7:83-7:85**
 gift tax and income tax, relation-
 ship of, **7:85**
 historical overview, **7:80**
 qualified disclaimer, effect of,
 7:84
 support obligations, **7:82**
 non pro-rata distributions, **7:61**
 qualified disclaimer, effect of, **7:84**
 retained interests, grantor trust
 based on, **7:75-7:77**
 retained powers, grantor trust
 based on, **7:69-7:74**
 reversionary interests, grantor trust
 based on, **7:68**
 revocation, grantor treated as
 owner and taxpayer, **7:72**
 simple trusts. See Simple trusts,
 above
 stated events, termination of
 distributions on, **7:63**
 support obligations, **7:77, 7:82**

INDEX

INCOME TAXATION OF TRUSTS AND ESTATES—Cont'd

- Trust distributions, income taxation of—Cont'd
 - termination of distributions, **7:62-7:64**
 - type of trust as determining taxation, **7:42**
- Two percent floor, elimination of, **7:11**
- Two tier system, complex trusts, **7:48-7:50**
- Type of trust as determining taxation, **7:42**
- Undue prolongation of estate administration, **7:112**
- Unification of tax treatment of revocable trusts and estates, **7:41**
- Wastage of deductions, **7:46**
- Will, allocation of income and expenses in accordance with, **7:91, 7:98**

INCORPORATION BY REFERENCE

- Trusts, **5:400**
- Wills
 - general discussion, **4:339- 4:348**
 - for detailed treatment see index
 - heading **WILLS**

INDEPENDENT VERSUS DEPENDENT ADMINISTRATION

- Wills, **4:159- 4:164**

INDEX OF DEPOSITED WILLS

- Wills, **4:476**

INDIVIDUAL RETIREMENT ACCOUNTS (IRAs)

- General discussion, **1:41-1:43**
- Agreement relating to, forms, **8:273, 8:274**
- Beneficiary designations, forms of, **8:278- 8:282**
- Bypass trust as beneficiary, **8:223**
- Community property laws, **8:69, 8:70, 8:76**
- Information gathering and counseling of client, **3:27**

INDIVIDUAL RETIREMENT

ACCOUNTS (IRAs)—Cont'd

- Married participants-optimal beneficiary designations, **8:85- 8:87**
- Minimum distribution rules, required beginning date (RBD), **8:17**
- Nonparticipant spouse, designation of beneficiary by, **1:43**
- Owner, designation of beneficiary by, **1:42**
- Rollovers, **8:266- 8:268**
- Tax considerations, **8:38, 8:45**

INDIVIDUAL RETIREMENT ACCOUNTS (IRAs)

- Dispositive planning, **10:203, 10:219**
- Federal transfer tax system, **6:131**
- Tax planning, **12:144**

INFORMATION GATHERING AND COUNSELING OF CLIENT

- General discussion, **3:1-3:67**
- Administrative activities, tickler systems, **3:61**
- Advisors of client, participation in interviews with client, **3:14-3:17**
- Alternative lifestyles of family members, **3:44**
- Assets and liabilities of client
 - general discussion, **3:19-3:34**
 - for detailed treatment see index
 - heading **INFORMATION GATHERING AND COUNSELING OF CLIENT**
- cemetery plot, **3:22**
- checklists of asset inventory, **3:62-3:65**
- contents of inventory questionnaire, **3:33**
- current beneficiary designations, obtaining information, **3:25**
- excludable cemetery plot, **3:22**
- format of inventory questionnaire, **3:33**
- individual retirement accounts (IRAs), **3:27**
- inventory questionnaire, **3:31-3:33**
- legal status of beneficiaries, **3:24-3:30**
- legal title only, **3:21**
- life insurance, **3:28**

**INFORMATION GATHERING AND
COUNSELING OF CLIENT**

—Cont'd

Assets and liabilities of client
—Cont'd
list of client's assets and liabilities,
3:19-3:30, 3:34
payable on death accounts, **3:29**
pension plans, **3:30**
qualified benefit plans, **3:26**
retirement plans, **3:26**
value of gross estate, **3:20**
Assistants, information gathering, **3:6**
Beneficiary designations
general discussion, **3:23-3:30**
form of beneficiary designation for
corporate employee life/
accident insurance, **3:68**
Cemetery plot, **3:22**
Certainty level in interviews with
client, **3:12**
Checklists
asset inventory, **3:62-3:65**
identification of family members,
3:66
power of attorney, preparation of,
3:67, 9:101
Chronologically projected client deci-
sions, **3:57-3:61**
Citizenship status of clients and bene-
ficiaries, **3:45**
Construction of Texas Disciplinary
Rules of Professional Conduct,
3:3
Corporate employee life/accident
insurance, form of beneficiary
designation for, **3:68**
Creditors, special needs
considerations, **3:37**
Defined benefit plans, **3:26**
Disability, special needs
considerations, **3:41**
Dispositive goals, **3:46-3:50**
Dissension, potential sources of, **3:42**
Educating the client, **3:51-3:56**
Estate taxes affecting estate, types of,
3:54
Ethical duties of attorney, **3:2, 3:4**
Excludable cemetery plot, **3:22**

**INFORMATION GATHERING AND
COUNSELING OF CLIENT**

—Cont'd

Family relationships and personal
information
general discussion, **3:35-3:45**
alternative lifestyles, **3:44**
checklist for identification of fam-
ily members, **3:66**
citizenship status of clients and
beneficiaries, **3:45**
creditors, special needs
considerations, **3:37**
disability, special needs
considerations, **3:41**
dissension, potential sources of,
3:42
identification of family members,
3:35, 3:66
interviews with client, participa-
tion of family members in,
3:13
marital problems, **3:38, 3:43**
maturity, **3:39**
multiple marriages, **3:43**
nontraditional family relationships,
3:44
power of attorney, preparation of,
3:67
special needs considerations for
intended beneficiaries, **3:36-3:41**
wealth, special needs
considerations, **3:40**
Federal taxes affecting estate, types
of, **3:53-3:56**
Financial planning advisors,
participation in interviews with
client, **3:16**
Generation-skipping taxes affecting
estate, types of, **3:56**
Gift taxes affecting estate, types of,
3:55
Identification of family members,
3:35, 3:66
Individual retirement accounts
(IRAs), **3:27**
Interviews with client
general discussion, **3:9-3:18**

INDEX

INFORMATION GATHERING AND COUNSELING OF CLIENT

—Cont'd

Interviews with client—Cont'd
advisors of client, participation of, **3:14-3:17**
certainty level, **3:12**
family members, participation of, **3:13**
financial planning advisors of client, participation of, **3:16**
professional advisors of client, participation of, **3:14-3:17**
source of information, **3:11**
tax advisors of client, participation of, **3:15**
testamentary capacity, goal of interaction as testing of, **3:18**
verification, **3:12**
who should be present, **3:10**
Inventory of assets
checklists, **3:62-3:65**
questionnaire, **3:31-3:33**
Keogh plans, **3:26, 3:30**
Legal assistants, information gathering by, **3:6**
Legal status of beneficiaries, **3:24-3:30**
Legal title only to assets, **3:21**
Liabilities. See Assets and liabilities of client, above
Life/accident insurance, form of beneficiary designation for, **3:68**
Life insurance, **3:17, 3:28**
List of client's assets and liabilities, **3:19-3:30, 3:34**
Marital problems, **3:38, 3:43**
Maturity, **3:39**
Multiple marriages, **3:43**
Nontraditional family relationships, **3:44**
Obtaining client decisions, **3:57-3:61**
Payable on death accounts, **3:29**
Pension plans, **3:30**
Personal information. See Family relationships and personal information, above
Power of attorney, preparation of, **3:67**

INFORMATION GATHERING AND COUNSELING OF CLIENT

—Cont'd

Pre-probate client decisions, **3:59**
Primary beneficiaries, **3:47-3:49**
Probate client decisions, **3:60**
Professional advisors of client, participation in interviews, **3:14-3:17**
Qualified benefit plans, **3:26**
Retirement plans, **3:26**
Source of information in interviews with client, **3:11**
Special needs considerations for intended beneficiaries, **3:36-3:41**
Staff of attorney, information gathering by, **3:6**
Structure of transfers, **3:50**
Tax advisors of client, participation in interviews with client, **3:15**
Taxes affecting estate, types of, **3:53-3:56**
Testamentary capacity, goal of interaction as testing of, **3:18**
Texas Disciplinary Rules of Professional Conduct, **3:2, 3:3**
Tickler systems, **3:58-3:61**
Timing of transfers, **3:50**
Types of federal taxes affecting estate, **3:53-3:56**
Uniform single-party or multiple-party account, **3:69**
Value of gross estate, **3:20**
Verification in interviews with client, **3:12**
Wealth, special needs considerations, **3:40**
Who is to receive property, **3:46-3:49**

INFORMED CONSENT

Attorney-client relationship, managing of, **2:23**

INHERITANCE TAX

Texas transfer tax system
for detailed treatment see index
heading TEXAS TRANSFER TAX SYSTEM

INJUNCTIONS

Trusts, **5:445**

IN-KIND DISTRIBUTIONS

Income taxation of trusts and estates,
7:37, 7:59

INSANE DELUSIONS

Wills, **4:94, 4:515**

INSURANCE

Buy-sell agreements, insurance used
to fund, **11:173-11:182**

Tax planning. See index heading TAX
PLANNING

Trusts. See index heading TRUSTS
Wills, **4:267**

INTEGRATION

Wills, **4:349**

INTEGRITY

Trustee, **5:339**

INTENT OR INTENTION

Dispositive planning, **10:3-10:6,**
10:126, 10:143

Trust, intention to create, **5:157**

Wills. See index heading WILLS

INTEREST

Personal residence trust (PRT),
12:356

Wills, **4:278**

INTEREST-FREE LOANS

Federal transfer tax system, **6:42**

INTERLINEATIONS

Wills, **4:49, 4:81**

“INTERMEDIARY,” LAWYER AS

Attorney-client relationship, manag-
ing of, **2:40-2:42**

INTERNAL REVENUE CODE

Trusts. See index heading TRUSTS

INTERPRETATION

See index heading CONSTRUCTION AND
INTERPRETATION

IN TERROREM CLAUSE

Form of, **5:528**

Trusts, **5:457**

INTERVIEWS WITH CLIENT

Information gathering and counseling
of client

general discussion, **3:9-3:18**

for detailed treatment see index

heading INFORMATION GATHERING
AND COUNSELING OF CLIENT

INTER VIVOS TRUSTS

General discussion, **5:62, 5:152**

Disclaimers, **15:54, 15:60**

Form of postponement of distribution
of, **5:537**

Income taxation of trusts and estates,
7:117

INTESTATE SUCCESSION

Disclaimers, **15:34**

Probate

general discussion, **1:63-1:72**

for detailed treatment see index

heading PROBATE

INTRAFAMILY TRANSFERS

Federal transfer tax system, **6:25-**
6:27

INVASION OF PRINCIPAL

Trusts. See index heading TRUSTS

INVENTORY OF ASSETS

Information gathering. See index
heading INFORMATION GATHERING
AND COUNSELING OF CLIENT

INVENTORY VALUE

Trusts, **5:81**

INVESTIGATION

Trusts, **5:377**

INVESTMENTS

Trusts

general discussion, **5:182- 5:190**

for detailed treatment see index

heading TRUSTS

IRAs

See index heading INDIVIDUAL RETIRE-
MENTS ACCOUNTS (IRAS)

IRD ISSUES

Allocation to marital deduction
amount, form of, **8:283**

INDEX

IRD ISSUES—Cont'd

Retirement plans. See index heading
RETIREMENT PLANS AND PLANNING
Wills, **4:304**

IRREVOCABLE

See index heading REVOCABLE OR
IRREVOCABLE

JOINT ACCOUNTS

Dispositive planning, **10:174-10:178**

JOINTLY HELD PROPERTY

Disclaimers, **15:63-15:65, 15:72**

JOINT REPRESENTATION

Form of statement, **5:523**
Wills, **4:4**

JOINT TENANCY WITH RIGHT OF SURVIVORSHIP

Dispositive planning, **10:223**

JOINT WILLS

General discussion, **4:437, 4:499**

JUDGMENTS

Trusts. See index heading TRUSTS

JURISDICTION

Trusts. See index heading TRUSTS

KEOGH PLANS

Information gathering and counseling
of client, **3:26, 3:30**

LACHES OR DELAY

Attorney-client relationship, manag-
ing of, **2:60**

LANGUAGE OF INSTRUMENT

Wills, **4:367**

LAPSE

General power of appointment, **6:53,**
6:102
Wills, **4:127**

LATE DISTRIBUTIONS

Retirement plans and planning, **8:48**

LEAD TRUSTS

General discussion, **5:493- 5:495**

LEASES

Trusts, **5:197**

LEGACIES

Wills. See index heading WILLS

LEGAL ASSISTANTS

Attorney-client relationship, manag-
ing of, **2:10**
Information gathering and counseling
of client, **3:6**

LEGISLATURE

Attorney-client relationship, manag-
ing of, **2:4**

LEVERAGING

Tax planning
general discussion, **12:189-12:198**
for detailed treatment see index
heading TAX PLANNING

LIABILITIES

Lifetime planning. See index heading
LIFETIME PLANNING
Trusts. See index heading TRUSTS

LIENS AND ENCUMBRANCES

Federal transfer tax system, **6:124**

LIFE ESTATES

Disclaimers. See index heading
DISCLAIMERS
Dispositive planning, **10:107**
Federal transfer tax. See index head-
ing FEDERAL TRANSFER TAX SYSTEM
Marital deduction trusts and gifts,
12:77
Wills, **4:254**

LIFE INSURANCE

Dispositive planning, **10:191-10:199**
Family limited partnerships (FLP),
13:33
Federal transfer tax system, **6:90,**
6:104, 6:151
Information gathering and counseling
of client, **3:17, 3:28**
Tax planning. See index heading TAX
PLANNING
Trusts
general discussion, **5:480- 5:491**
for detailed treatment see index
heading TRUSTS
Wills, **4:40**

LIFETIME DISTRIBUTIONS

Retirement plans and planning, **8:4**

LIFETIME PLANNING

General discussion, **1:3 et seq., 9:1-9:101**

Absence of medical power of attorney, procedures in event of, **9:63**

Acceptance and reliance on durable power of attorney, **9:45**

Acknowledgment of durable power of attorney, **9:17**

Anatomical gifts, **9:95-9:98**

Appointment of agent to control disposition of remains, **9:93**

Banking transactions, durable power of attorney for, **9:37**

Bond related transactions, durable power of attorney for, **9:36**

Burial instructions, generally, **9:92**

Business operation transactions, durable power of attorney for, **9:38**

Challenges, planning for, **9:49**

Checklist for preparation of power of attorney, **9:101**

Children, designation of agent to make health care decisions for, **9:87-9:90**

Co-agents and successor agents, **9:25**

Conflict of powers or consents, **9:62**

Consent to medical treatment
general discussion, **9:76-9:80**
children, designation of agent to make health care decisions for, **9:88-9:90**

liabilities, **9:80**

prerequisites for consent, **9:79**

subject matter of consent, **9:78**

surrogate decision-makers, **9:77**

Texas Consent to Medical Treatment Act, generally, **9:63, 9:76**

who may consent, **9:77**

Construction and interpretation. See Durable power of attorney, below

Contentious family relationships, planning for challenges, **9:52**

LIFETIME PLANNING—Cont'd

Corporate fiduciaries, **9:6**

Current or springing power of attorney, **9:19**

Death

attorney in fact or agent, termination, unable to serve, **9:29**

post-death issues. See Post-death issues, planning for, below

Definitions, **9:16, 9:24**

Directives to physicians. See Medical and personal needs, planning for, below

Directive to physicians, statutory form for, **9:107**

Disclosure statement

medical power of attorney, **9:55**

Disposition of remains, planning for, **9:91-9:94**

Disregard of declaration for mental health treatment, **9:69**

Do not resuscitate (“DNR”) directives, **9:81-9:83**

Durable power of attorney

general discussion, **9:9-9:45**

acceptance and reliance, **9:45**

acknowledgment, **9:17**

advantages in using property management power of attorney, **9:10**

advising those acting under durable power, generally, **9:31-9:45**

banking transactions, construction of, **9:37**

bond related transactions, construction of, **9:36**

business operation transactions, construction of, **9:38**

checklist for preparation of power of attorney, **9:101**

co-agents and successor agents, **9:25**

construction and interpretation, generally, **9:32-9:40**

current or springing power, **9:19**

definitions, **9:16, 9:24**

drafting considerations, **9:18-9:25**

drafting requirements, **9:15-9:17**

INDEX

LIFETIME PLANNING—Cont'd

- Durable power of attorney—Cont'd
 - duration, **9:20**
 - effective dates, **9:19**
 - estate transactions, construction of, **9:39**
 - execution, **9:17**
 - fiduciary standard of care, **9:41**
 - financial institution transactions, construction of, **9:37**
 - forms of, **9:102**
 - general durable power of attorney, **9:13**
 - form of, **9:102**
 - gifts, specificity in granting power, **9:23**
 - language, statutory form, **9:21**
 - limitations on power, **9:43**
 - marriage between agent and principal dissolved or declared void, **9:30**
 - medical power of attorney, property management powers distinguished from, **9:11**
 - nondelegable power, **9:44**
 - notice
 - revocation of general power of appointment, form of, **9:104**
 - third parties, notice to, **9:45**
 - real property transactions, construction of, **9:34**
 - reliance, **9:45**
 - revocation, **9:26**
 - special durable power of attorney, **9:14**
 - special/limited power of attorney, form of, **9:103**
 - specificity in granting power, **9:22-9:25**
 - springing power, **9:19, 9:24**
 - standard of care, **9:41**
 - statutory requirements, generally, **9:9**
 - stock and bond transactions, construction of, **9:36**
 - tangible personal transactions, construction of, **9:35**
 - tax matters, construction of, **9:40**

LIFETIME PLANNING—Cont'd

- Durable power of attorney—Cont'd
 - termination, **9:27-9:30**
 - termination for, **9:29**
 - third parties, notice to, **9:45**
 - trust transactions, construction of, **9:39**
 - types of durable powers of attorney, **9:12-9:14**
 - unable to serve, termination for, **9:29**
 - validity and effect of actions taken by agent, **9:42**
 - when power becomes effective, **9:19**
 - written termination, **9:28**
- Duration
 - durable power of attorney, **9:20**
 - medical power of attorney, **9:56**
- Effective dates of durable power of attorney, **9:19**
- Estate transactions, durable power of attorney for, **9:39**
- Execution of instruments
 - anatomical gifts, **9:96**
 - durable power of attorney, **9:17**
 - medical power of attorney, **9:60**
 - mental health treatment, declaration for, **9:67**
- Fail-safing, **9:7**
- Favorable tax treatment for lifetime and post death transfers, **9:2**
- Fiduciaries
 - durable power of attorney, **9:41**
 - property of client, management of, **9:4-9:7**
- Financial institution transactions, durable power of attorney for, **9:37**
- Funeral expenses and benefits, **9:99, 9:100**
- General durable power of attorney, **9:13**
 - forms of, **9:102**
- Gifts
 - body parts, gifts of, **9:95-9:98**
 - durable power of attorney, **9:23**

LIFETIME PLANNING—Cont'd

- Guardians and guardianship
 - form of Estates Code declaration of, **9:108**
 - medical and personal needs, planning for, **9:84-9:86**
 - property management, **9:47-9:49**
- Health and Safety Code Section
 - 711.002 appointment of agent to control disposition of remains, form of, **9:110**
- Liabilities
 - consent to medical treatment directive, **9:80**
 - disposition of remains, **9:94**
 - medical power of attorney, **9:61**
 - mental health treatment, declaration for, **9:65**
- Limitations on durable power of attorney, **9:43**
- Living wills
 - general discussion, **9:71-9:75**
 - Natural Death Act, effect of directive under, **9:74, 9:75**
 - nonwritten directives, **9:73**
 - revocation, **9:75**
 - written directives
 - Statutory form, **9:72**
- Management considerations, generally, **9:1**
- Marriage between agent and principal dissolved or declared void, **9:30**
- Medical and personal needs, planning for
 - general discussion, **9:53-9:90**
 - children, designation of agent to make health care decisions for, **9:87-9:90**
 - consent. See Consent to medical treatment, above
 - directives to physicians
 - general discussion, **9:70-9:83**
 - consent. See Consent to medical treatment, above
 - do not resuscitate (“DNR”) directives, **9:81-9:83**
 - living wills. See Living wills, above
 - nonwritten DNR order, **9:83**

LIFETIME PLANNING—Cont'd

- Medical and personal needs, planning for—Cont'd
 - directives to physicians—Cont'd
 - out of hospital DNR order, standard form for, **9:82**
 - terminal conditions. See Living wills, above
 - do not resuscitate (“DNR”) directives, **9:81-9:83**
 - guardian of person, designation of, **9:84-9:86**
 - living wills. See Living wills, above
 - mental health. See Mental health treatment, declaration for, below
 - power of attorney. See Medical power of attorney, below
 - statutory requirements, **9:53, 9:86**
 - terminal conditions. See Living wills, above
 - written consent for medical treatment of children, form of, **9:90**
- Medical power of attorney
 - general discussion, **9:54-9:63**
 - absence of medical power, procedures in, **9:63**
 - checklist for preparation of power of attorney, **9:101**
 - conflict of powers or consents, **9:62**
 - Consent to Medical Treatment Act, **9:63**
 - disclosure statement, **9:55**
 - duration of authority, **9:56**
 - execution, **9:60**
 - liability of health care agent, **9:61**
 - persons who may not exercise authority of agent, **9:58**
 - principal, physician’s duty to inform, **9:57**
 - property management powers distinguished from, **9:11**
 - revocation, **9:59**
 - scope of authority, **9:56**
 - selection of health care agent, **9:61**
 - statutory form of, **9:105**

INDEX

LIFETIME PLANNING—Cont'd

- Medical power of attorney—Cont'd witnesses, **9:60**
- Mental health treatment, declaration for
 - general discussion, **9:64-9:69**
 - disregard of declaration, **9:69**
 - duties and liabilities of physician/health care provider, **9:65**
 - execution, **9:67**
 - liabilities of physician/health care provider, **9:65**
 - period of validity, **9:66**
 - revocation, **9:68**
 - statutory form, **9:106**
 - who may execute, **9:66**
- Natural Death Act, effect of directive under, **9:74, 9:75**
- Nondelegable power of attorney, **9:44**
- Nontraditional relationships, planning for challenges, **9:51**
- Nonwritten directives. See Oral directives, below
- Notice. Durable power of attorney, above
- Oral directives
 - DNR orders, **9:83**
 - living wills, **9:73**
- Out of hospital DNR order, standard form for, **9:82**
- Personal needs. See Medical and personal needs, planning for, above
- Post-death issues, planning for
 - general discussion, **9:91-9:100**
 - anatomical gifts, **9:95-9:98**
 - appointment of agent to control disposition of remains, **9:93**
 - burial instructions, generally, **9:92**
 - disposition of remains, **9:91-9:94**
 - execution of anatomical gifts, **9:96**
 - funeral expenses and benefits, **9:99, 9:100**
 - gifts of body parts, **9:95-9:98**
 - liability for disposition of remains, **9:94**
 - remains, disposition of, **9:91-9:94**
 - trustee's authority to pay funeral expenses, **9:99**

LIFETIME PLANNING—Cont'd

- Post-death issues, planning for—Cont'd
 - trust-funded prepaid funeral bills, **9:100**
- Power of attorney
 - durable power. See Durable power of attorney, above
 - medical power. See Medical power of attorney, above
 - notice of revocation of general power of appointment, form of, **9:104**
- Principal, physician's duty to inform, **9:57**
- Property of client, management of
 - general discussion, **9:3-9:52**
 - challenges, planning for, **9:50-9:52**
 - contentious family relationships, planning for challenges, **9:52**
 - corporate fiduciary, **9:6**
 - durable power of attorney. See Durable power of attorney, above
 - fail-safing, **9:7**
 - fiduciary choices and duties, **9:4-9:7**
 - guardian of estate, designation of, **9:47-9:49**
 - individual fiduciary, **9:5**
 - nontraditional relationships, planning for challenges, **9:51**
 - power of attorney. See Durable power of attorney, above
 - stand-by management trusts, **9:46**
 - statutory form for designation of guardian of estate, **9:49**
- Real property transactions, durable power of attorney for, **9:34**
- Reliance on durable power of attorney, **9:45**
- Remains, disposition of
 - general discussion, **9:91-9:94**
 - Health and Safety Code Section 711.002 appointment of agent to control disposition of remains, form of, **9:110**
 - letter directive for disposition of remains, form of, **9:109**

LIFETIME PLANNING—Cont'd

- Revocation
 - durable power of attorney, **9:26**
 - living will, **9:75**
 - medical power of attorney, **9:59**
 - mental health treatment, declaration for, **9:68**
- Selection of health care agent, **9:61**
- Special durable power of attorney, **9:14**
- Special/limited power of attorney, form of, **9:103**
- Specificity in granting power of attorney, **9:22-9:25**
- Springing power of attorney, **9:19, 9:24**
- Standard of care, durable power of attorney, **9:41**
- Stand-by management trusts, **9:46**
- Statutes and statutory provisions
 - durable power of attorney, **9:9, 9:21**
 - guardians and guardianship, **9:49, 9:86**
 - medical and personal needs, planning for, **9:53**
- Stock and bond transactions, durable power of attorney for, **9:36**
- Subject matter of consent to medical treatment directive, **9:78**
- Surrogate decision-makers, **9:77**
- Tangible personal transactions, durable power of attorney for, **9:35**
- Tax matters, durable power of attorney for, **9:40**
- Terminal conditions. See Living wills, above
- Termination of durable power of attorney, **9:27-9:30**
- Texas Consent to Medical Treatment Act, generally, **9:63, 9:76**
- Third parties, notice of durable power of attorney to, **9:45**
- Trusts and trustees
 - durable power of attorney, **9:39**
 - funeral expenses and benefits, **9:99, 9:100**
 - stand-by management trusts, **9:46**

LIFETIME PLANNING—Cont'd

- Unable to serve, termination of durable power of attorney for, **9:29**
- Validity and effect of actions taken by agent, **9:42**
- Witnesses
 - medical power of attorney, **9:60**
- Writing
 - children, form of written consent for medical treatment of, **9:90**
 - durable power of attorney, written termination of, **9:28**
 - living wills, written directives
 - statutory form, **9:72**

LIFETIME TRANSFERS

- Tax planning. See index heading TAX PLANNING

LIMITATIONS AND RESTRICTIONS

- Durable power of attorney, **9:43**
- Federal transfer tax. See index heading FEDERAL TRANSFER TAX SYSTEM
- Income tax. See index heading INCOME TAXATION OF TRUSTS AND ESTATES
- Tax planning. See index heading TAX PLANNING
- Trusts. See index heading TRUSTS
- Wills, **4:218**

LIMITATIONS OF TIME

- Wills. See index heading WILLS

LIMITED PARTNERSHIPS

- Business planning, choice of entity, **11:14, 11:20, 11:28**
- Family limited partnerships. See index heading FAMILY LIMITED PARTNERSHIPS

LIMITED POWER OF APPOINTMENT

- Federal transfer tax system, **6:101**

LINEAL DESCENDANTS

- Federal transfer tax system, **6:186**

LIVING WILLS

- General discussion, **9:71-9:75**

INDEX

LIVING WILLS—Cont'd

For detailed treatment see index
heading **LIFETIME PLANNING**

LOANS

Trusts, **5:415**

LOCATION OR PLACE

Trustee, **5:344**

Wills. See index heading **WILLS**

LOST OR DESTROYED WILLS

See index heading **WILLS**

LOYALTY

Attorney-client relationship, managing of, **2:35**

Trustee's duty of, **5:362**

LUCID INTERVALS

Testamentary capacity affected by,
4:91

LUMP SUM DISTRIBUTIONS

Retirement plans and planning,
8:151- 8:157, 8:215- 8:217

MALPRACTICE CLAIMS

Attorney-client relationship, **1:91**

MANAGEMENT

Trusts. See index heading **TRUSTS**

Wills, **4:318- 4:321**

MANDATORY DISTRIBUTIONS

Trusts, **5:240- 5:242**

MARITAL DEDUCTION

Disclaimers, **15:27-15:31**

Dispositive planning, **10:35**

Federal transfer tax. See index heading **FEDERAL TRANSFER TAX SYSTEM**

Form of allocation of IRD to, **8:283**

Retirement plans and planning, **8:240**

Tax planning

general discussion, **12:52-12:82**

for detailed treatment see index
heading **TAX PLANNING**

Trust

general discussion, **5:461- 5:466**

for detailed treatment see index
heading **TRUSTS**

MARITAL DEDUCTION—Cont'd

Wills

general discussion, **4:287- 4:309**

for detailed treatment see index

heading **WILLS**

MARITAL PROBLEMS

Information gathering and counseling

of client, **3:38, 3:43**

MARK OF TESTATOR

Wills, **4:52**

MARRIED

PARTICIPANTS-OPTIMAL

BENEFICIARY

DESIGNATIONS

Retirement plans. See index heading

RETIREMENT PLANS AND PLANNING

MATURITY

Information gathering and counseling

of client, **3:39**

MDIB RULE

Retirement plans and planning, **8:137**

MEDIATION

See index heading **ARBITRATION OR**

MEDIATION

MEDICAL AND PERSONAL

NEEDS

General discussion, **9:53-9:90**

For detailed treatment see index

heading **LIFETIME PLANNING**

MEDICAL EXCLUSION

Tax planning, **12:159**

MEDICAL EXPENSES

Deductions on decedent's final
income tax return, election as to,
15:94

Federal transfer tax system, **6:62,**
6:209

Tax planning, **12:4**

MEDICAL POWER OF ATTORNEY

General discussion, **9:54-9:63**

For detailed treatment see index

heading **LIFETIME PLANNING**

MEMOS

Dispositive planning, **10:6**

MENTAL CONDITION

Wills. See index heading **WILLS**

MENTAL DISABILITY

Federal transfer tax system, **6:170**

**MENTAL HEALTH TREATMENT,
DECLARATION FOR**

General discussion, **9:64-9:69**

For detailed treatment see index
heading **LIFETIME PLANNING**

MERGER

Disclaimers, **15:31**

Trusts. See index heading **TRUSTS**

MINERALS

Trusts, **5:201**

**MINIMUM DISTRIBUTION
RULES**

Dispositive planning, **10:212-10:216**

Retirement plans. See index heading
RETIREMENT PLANS AND PLANNING

MINORS

See index heading **CHILDREN**

MISTAKE

Wills. See index heading **WILLS**

MISUNDERSTANDINGS

Dispositive planning, **10:30**

MODIFICATION OR CHANGE

Amendments. See index heading
AMENDMENTS

Trusts. See index heading **TRUSTS**

Wills. See index heading **WILLS**

MORTGAGES

Federal transfer tax system, **6:124**

Personal residence trust (PRT),
12:326, 12:335

Trusts, **5:195**

Wills, **4:338**

MULTIPLE BENEFICIARY RULE

Retirement plans. See index heading
RETIREMENT PLANS AND PLANNING

**MULTIPLE CLIENT
REPRESENTATION**

Attorney-client relationship, managing of

general discussion, **2:40-2:45**

for detailed treatment see index
heading **ATTORNEY-CLIENT RELATIONSHIP,
MANAGING OF**

MULTIPLE GRATs

Tax planning, **12:282**

MULTIPLE INTERESTS

Disclaimers, **15:75**

MULTIPLE MARRIAGES

Information gathering and counseling
of client, **3:43**

**MULTIPLE-PARTY ACCOUNTS IN
FINANCIAL INSTITUTIONS**

Dispositive planning

general discussion, **10:173-10:190**

for detailed treatment see index
heading **DISPOSITIVE PLANNING**

MULTIPLE TRUSTS

Income taxation of trusts and estates,
7:3

NAMES

Wills. See index heading **WILLS**

NATURAL DEATH ACT

General discussion, **9:74, 9:75**

NATURAL RESOURCES

Trusts, **5:231**

NET GIFTS

Tax planning, **12:185-12:188**

NET INCOME

Income taxation of trusts and estates,
7:94-7:96

NET INVESTMENT

Defined, **5:207**

NET PROCEEDS

Defined, **5:207**

NO CONTEST CLAUSE

Dispositive planning, **10:9, 10:97**

INDEX

NOMINAL INTERESTS

Disclaimers, **15:20**

NONLINEAL DESCENDANTS

Federal transfer tax system, **6:187**

NONPROBATE PROPERTY, PLANNING FOR

Dispositive planning
general discussion, **10:172-10:243**
for detailed treatment see index
heading DISPOSITIVE PLANNING

NON PRO-RATA DISTRIBUTIONS

Income taxation of trusts and estates,
7:61, 7:110

NONRESIDENTS OR NONCITIZENS

Dispositive planning, **10:132**
Federal transfer tax system, **6:148-
6:152, 6:227**
Tax planning
general discussion, **12:362-12:395**
for detailed treatment see index
heading TAX PLANNING
Wills, **4:148**

NOTICE OR KNOWLEDGE

Durable power of attorney, **9:45**
Lifetime planning. See index heading
LIFETIME PLANNING
Powers of appointment and Crum-
mey provisions, notice of, **6:54**
Trusts. See index heading TRUSTS

NUMBER AND NUMBERING

Tax planning, **12:323**
Wills. See index heading WILLS

NUNCUPATIVE OR ORAL WILL

Wills
for detailed treatment see index
heading WILLS

OBLITERATION

Revocation of will, **4:455**

ONE HUNDRED THOUSAND DOLLAR EXCLUSION

Retirement plans and planning, **8:44**

OPTIMAL BENEFICIARY DESIGNATIONS

Retirement plans. See index heading
RETIREMENT PLANS AND PLANNING

OPTION

See index heading ELECTION OR OPTION

ORAL DIRECTIVES

Lifetime planning. See index heading
LIFETIME PLANNING

ORAL WILLS

See index heading WILLS

PARAMOURS

Dispositive planning, **10:158**

PARTIAL DISCLAIMERS

See index heading DISCLAIMERS

PARTITION

Disclaimers, **15:24**

PARTNERSHIPS

Business planning, choice of entity,
**11:12-11:14, 11:19, 11:20,
11:27, 11:28**
Family limited partnerships. See
index heading FAMILY LIMITED
PARTNERSHIPS
Trusts. See index heading TRUSTS

PAYABLE ON DEATH (POD) ACCOUNTS

Dispositive planning, **10:179**
Information gathering and counseling
of client, **3:29**

PECUNIARY BYPASS TRUSTS

Tax planning, **12:28, 12:31-12:33**

PECUNIARY FORMULA FUNDING CLAUSES

Tax planning, **12:63-12:66**

PECUNIARY GIFTS

Income taxation of trusts and estates,
7:107

PECUNIARY LEGACIES

Wills, **4:273- 4:278**

**PECUNIARY MARITAL AMOUNT
FORMULA CLAUSE**

Tax planning, **12:58**

PENALTIES

Federal transfer tax. See index heading **FEDERAL TRANSFER TAX SYSTEM**
Retirement plans and planning, **8:46-8:49**

PENSIONS

See index heading **RETIREMENT PLANS
AND PLANNING**

**PERPETUAL CHARITABLE
PUBLIC TRUST**

Wills, **4:362**

PERSONALITY

Trustee, **5:342**

**PERSONAL RESIDENCE TRUST
(PRT) AND QUALIFIED
PERSONAL RESIDENCE
TRUST (QPRT)**

Tax planning
general discussion, **12:315-12:361**
for detailed treatment see index
heading **TAX PLANNING**

**PER STIRPES VERSUS PER
CAPITA**

Wills, **4:240- 4:243**

PETS

Dispositive planning, **10:159**

PHYSICIANS

Directive to physicians, statutory
form for, **9:107**

PLACE

See index heading **LOCATION OR PLACE**

PLAN ADMINISTRATOR ISSUE

Retirement plans and planning, **8:109**

PLEADINGS

Trusts, **5:288, 5:306**

POLICY CHOICES

Dispositive planning, **10:29**

POOLED INCOME TRUSTS

General discussion, **5:499**

PORTABILITY ELECTION

Post-mortem planning, **15:105**

POSSESSION

Federal transfer tax system, **6:93**
Trustee's duty to take, **5:365**
Wills, **4:175**

**POST-DEATH ISSUES, PLANNING
FOR**

General discussion, **9:91-9:100**
For detailed treatment see index
heading **LIFETIME PLANNING**

POSTHUMOUS CHILDREN

Wills. See index heading **WILLS**

POST-MORTEM PLANNING

Disclaimers. See index heading
DISCLAIMERS
Elections. See index heading **ELEC-
TIONS**

**POSTPONEMENT OF
DISTRIBUTION**

Form of, **5:537**

POWER OF APPOINTMENT

Disclaimers
general discussion, **15:22**
for detailed treatment see index
heading **DISCLAIMERS**
Dispositive planning, **10:26, 10:116-
10:118**
Federal transfer tax. See index head-
ing **FEDERAL TRANSFER TAX SYSTEM**
Retirement plans and planning,
8:142, 8:143, 8:226, 8:236
Tax planning. See index heading **TAX
PLANNING**
Trusts. See index heading **TRUSTS**

POWER OF ATTORNEY

Checklist for preparation of, **3:67,
9:101**
Disclaimers, **15:81**
Information gathering and counseling
of client, **3:67**
Lifetime planning. See index heading
LIFETIME PLANNING

INDEX

PREDECEASED CHILD RULE

Federal generation-skipping transfer tax, **6:204-6:206**

PREMATURE DISTRIBUTIONS

Retirement plans and planning, **8:47**

PREMIUMS

Federal transfer tax system, **6:235-6:239**

Tax planning. See index heading TAX PLANNING

Trusts, **5:484**

PRESERVATION OF WEALTH OR PROPERTY

Trusts, **5:366, 5:512**

PRESUMPTIONS AND BURDEN OF PROOF

Capacity of client to act, **1:74**

Wills. See index heading WILLS

PRETERMITTED CHILDREN

Wills. See index heading WILLS

PRINCIPAL

Dispositive planning, **10:111**

Trusts. See index heading TRUSTS

PRIOR TAXABLE GIFTS

Federal transfer tax system, **6:97, 6:98, 6:160**

PRIOR TRANSFERS

Federal transfer tax system, **6:139-6:142**

PRIVACY

Dispositive planning, **10:83**

Trusts for minors, **5:507**

PRIVITY

Wills, **4:10**

PROBATE

General discussion, **1:58-1:72**

Community property, descent and distribution, **1:69-1:71**

Definitions, **1:59, 1:63**

Descent and distribution, generally, **1:64-1:71**

Dispositive planning

general discussion, **10:162-10:171**

PROBATE—Cont'd

Dispositive planning—Cont'd

for detailed treatment see index

heading DISPOSITIVE PLANNING

Escheat, **1:72**

Intestate disposition

general discussion, **1:63-1:72**

community property, descent and distribution, **1:69-1:71**

definition of intestacy, **1:63**

descent and distribution, generally, **1:64-1:71**

escheat, **1:72**

separate property, descent and distribution, **1:65-1:68**

Purpose, **1:60**

Separate property, descent and distribution, **1:65-1:68**

Testate disposition

general discussion, **1:61, 1:62**

proceeding to probate will, **1:62**

PRODUCTIVITY OF TRUST

General discussion, **5:374**

PROPERTY MANAGEMENT

Lifetime planning. See index heading LIFETIME PLANNING

Trusts

general discussion, **5:191- 5:210**

for detailed treatment see index heading TRUSTS

PROPERTY SETTLEMENTS

Federal transfer tax system, **6:30**

PROTECTION OF PROPERTY

Dispositive planning, **10:72-10:74**

PRUDENCE

Trustee's duty of, **5:358, 5:359, 5:361**

PUBLICATION

Wills. See index heading WILLS

PUBLIC POLICY

Trusts, **5:164**

QDOT TRUSTS

General discussion, **5:466**

Federal transfer tax system, **6:132**

QDOT TRUSTS—Cont’d

Form of, **5:531**

Retirement plans. See index heading

RETIREMENT PLANS AND PLANNING

Tax planning, **12:79-12:82**

QTIP TRUSTS

General discussion, **5:463**

Disclaimers. See index heading

DISCLAIMERS

Dispositive planning, **10:210, 10:242**

Elections, **15:100**

Federal transfer tax system, **6:35, 6:109, 6:110**

Form of, **4:542, 5:530**

Retirement plans. See index heading

RETIREMENT PLANS AND PLANNING

Tax planning, **12:78**

Wills, **4:249**

QUALIFICATION

Wills, **4:145- 4:151**

QUALIFIED BENEFIT PLANS

Information gathering and counseling of client, **3:26**

QUALIFIED CONSERVATION EASEMENT

Federal transfer tax system, **6:112-6:115**

QUALIFIED DISCLAIMERS

General discussion, **15:6-15:14**

Federal transfer tax system, **6:65-6:71**

QUALIFIED DOMESTIC TRUST

See index heading QDOT TRUSTS

QUALIFIED FAMILY-OWNED BUSINESS INTERESTS (“QFOBI”)

Closely held business or stock, **11:128-11:144**

QUALIFIED JOINT AND SURVIVOR ANNUITY

Retirement plans and planning, **8:52**

QUALIFIED PERSONAL RESIDENCE TRUST (QPRT)

Tax planning. See index heading TAX PLANNING

QUALIFIED PLANS

General discussion, **1:37-1:40**

Dispositive planning, **10:202**

Federal transfer tax system, **6:131**

Nonparticipant spouse, designation of beneficiary by, **1:40**

Participant, designation of beneficiary by, **1:39**

Retirement plans and planning, **8:68**

QUALIFIED PRERETIREMENT SURVIVOR ANNUITY

Retirement plans and planning, **8:53**

QUALIFIED STATE TUITION PROGRAMS

Federal transfer tax system, **6:61**

QUALIFIED TERMINABLE INTEREST PROPERTY (QTIP)

See index heading QTIP TRUSTS

QUESTIONS OF LAW AND FACT

Wills, **4:439**

RATES AND RATE SCHEDULES

Federal transfer tax system, **6:79**

Tax planning, **12:387, 12:391**

REAL ESTATE INVESTMENT TRUSTS

General discussion, **5:108**

REAL PROPERTY

Durable power of attorney for, **9:34**

Tax planning. See index heading TAX PLANNING

Trusts. See index heading TRUSTS

Wills. See index heading WILLS

RECALCULATION

Retirement plans. See index heading RETIREMENT PLANS AND PLANNING

RECEIPTS

Disclaimers, **15:49-15:51**

RECEIVERSHIP

Trusts distinguished, **5:118**

RECORDING

See index heading FILING AND RECORDING

INDEX

REFUSAL

Trusts. See index heading TRUSTS

REGULATORY REQUIREMENTS

Retirement plans. See index heading
RETIREMENT PLANS AND PLANNING

REIMBURSEMENT OF TRUSTEE

General discussion, **5:409**

REINVESTMENT OF PROCEEDS

Tax planning, **12:327**

RELATIVES

See index heading FAMILY AND RELATIVES

RELEASE OR DISCHARGE

Federal transfer tax system, **6:201**
Trusts, **5:439**

RELIANCE

Durable power of attorney, **9:45**

RELIGION

Trusts, **5:316**

REMAINDERS AND REMAINDER INTERESTS

Disclaimers. See index heading
DISCLAIMERS
Dispositive planning, **10:108**
Federal transfer tax. See index heading
FEDERAL TRANSFER TAX SYSTEM
Trusts, **5:69, 5:496- 5:498**
Wills, **4:255**

REMAINS

Disposition of, **9:91-9:94**
Lifetime planning. See index heading
LIFETIME PLANNING
Wills, form of appointment of agent
to control disposition of
remains, **4:538**

REMARRIAGE

Wills, **4:383**

REMOTE DESCENDANTS

Tax planning, **12:156-12:158**

REMOVAL OF TRUSTEE

See index heading TRUSTS

RENT-FREE USE OF PROPERTY

Federal transfer tax system, **6:42**

RENUNCIATION

Marriage between agent and principal
dissolved or declared voidy,
9:30

REPAIRS

Trusts, **5:199**

REPEAL

Income taxation of trusts and estates,
7:118

REPORTS AND REPORTING

Federal transfer tax. See index heading
FEDERAL TRANSFER TAX SYSTEM

REPUBLICATION

Wills, **4:469**

REQUIRED BEGINNING DATE (RBD)

Retirement plans. See index heading
RETIREMENT PLANS AND PLANNING

RESERVATION OF POWERS

Trusts, **5:324**

RESIDENCE

See index heading DOMICILE OR RESIDENCE

RESIDUARY ESTATE

Dispositive planning, **10:63**
Income taxation of trusts and estates,
7:96
Retirement plans and planning, **8:187**
Tax planning. See index heading TAX
PLANNING
Wills, **4:280, 4:282- 4:286**

RESIGNATION

Trustee, **4:200, 5:421, 5:422**

RESTRAINTS ON ALIENATION

Dispositive planning, **10:165-10:170**
Wills, **4:256**

RESULTING TRUST

General discussion, **5:102, 5:103**

RETAINED INTERESTS

- Federal transfer tax system, **6:43, 6:92-6:96, 6:153**
- Income taxation of trusts and estates, **7:75-7:77**
- Tax planning, **12:302-12:305**

RETAINED LIFE ESTATE RELEASE

- Tax planning, **12:137**

RETAINED POWERS

- Federal transfer tax system, **6:91**
- Income taxation of trusts and estates, **7:69-7:74**

RETIREMENT PLANS AND PLANNING

- General discussion, **8:1- 8:283**
- Accumulations, **8:228, 8:237**
- All income requirement, estate tax marital deduction issue, **8:190-8:193**
- Allocation of principal and income
 - bypass trust as beneficiary, **8:217**
 - QTIP trust as beneficiary, **8:156, 8:165, 8:196, 8:197**
- Amendments to proposed regulations. See Trust as beneficiary, below
- Annuity as QDOT, **8:213**
- Beneficiary designations, forms of, **8:275**
- Buy-sell agreements, **11:170**
- Bypass trust as beneficiary
 - general discussion, **8:215- 8:237**
 - accumulations, **8:228, 8:237**
 - allocation of principal and income, **8:217**
 - bypass trust provisions, generally, **8:235- 8:237**
 - charity, **8:226, 8:227**
 - designation of beneficiaries, drafting strategies, **8:229- 8:237**
 - determining designated beneficiary treatment, **8:135- 8:140**
 - drafting strategies, **8:229- 8:237**
 - IRAs, **8:223**
 - IRD deduction, **8:216, 8:219**
 - lump sum, **8:215- 8:217**

RETIREMENT PLANS AND PLANNING—Cont'd

- Bypass trust as beneficiary—Cont'd
 - minimum distribution payments, generally, **8:218- 8:237**
 - multiple beneficiaries, **8:225-8:228**
 - power of appointment, **8:226, 8:236**
 - required beginning date (RBD), not taking distributions on, **8:222**
 - rolling over to IRA, **8:223**
 - strategies for minimum distribution payments, **8:220- 8:223**
- Capital gain treatment, **8:33**
- Charitable trust as beneficiary
 - general discussion, **8:238- 8:249**
 - benefits, **8:242, 8:243**
 - charity as beneficiary, distinguish from naming, **8:238**
 - disadvantages, **8:244- 8:248**
 - income tax issue, **8:241**
 - marital deduction issue, **8:240**
 - multiple beneficiary rule, **8:246**
 - QTIP trust as beneficiary, distinguish from naming, **8:239- 8:243**
 - spouse, benefits to, **8:242**
- Charities
 - bypass trust as beneficiary, **8:226, 8:227**
 - charitable trust. See Charitable trust as beneficiary, above
 - QTIP trust as beneficiary, **8:200**
 - single participants-optimal beneficiary designations, **8:98**
- Checklists
 - designated beneficiary treatment, summary of analysis, **8:269**
 - drafting considerations in naming trust as beneficiary of retirement benefits, **8:270**
- Children. See Single participants-optimal beneficiary designations, below
- Community property laws
 - general discussion, **8:66- 8:77**
 - devisability issue, **8:67- 8:70**

INDEX

RETIREMENT PLANS AND PLANNING—Cont'd

Community property laws—Cont'd
disclaimers, **8:73- 8:76**
drafting issues, **8:71- 8:76**
IRAs, **8:69, 8:70, 8:76**
planning ideas, **8:77**
qualified plans, **8:68**
“The Trustee” as beneficiary, **8:260**
Consent of spouse to waiver of rights, **8:60- 8:63, 8:147- 8:149**
Contingent beneficiaries
“The Trustee” as beneficiary, **8:257**
trust as beneficiary, **8:114, 8:132, 8:133**
Death contingency issue, **8:141**
Death of spouse, effect of, **8:126**
Delivery of trust document requirement, **8:107**
Designated beneficiary, QTIP trust as beneficiary, **8:174- 8:180**
Devisability issue, community property laws, **8:67- 8:70**
Disclaimer of trust, form of, **8:272**
Disclaimers, **8:73- 8:76, 8:89, 8:141**
Election requirement, QTIP trust as beneficiary, **8:166**
Employee's trust, generally, **5:107**
Estate tax issues
general discussion, **8:40- 8:45**
married participants-optimal beneficiary designations, **8:79- 8:81**
QTIP trusts, **8:152, 8:188- 8:193, 8:202**
single participants-optimal beneficiary designations, **8:97**
Excess accumulations, elimination of penalty tax on, **8:49**
Exemption allocation, GST trust as beneficiary, **8:250- 8:255**
Federal transfer tax system, **6:107, 6:108**
Five year averaging, tax considerations, **8:34**
Form of revocable plan benefits trust, **8:276**

RETIREMENT PLANS AND PLANNING—Cont'd

Four trust regulatory requirements, **8:105**
Fractional share approach, IRD issue, **8:186**
Generation-skipping trust (GST) as beneficiary
general discussion, **8:250- 8:255**
advantages, **8:254**
exemption allocation, **8:250- 8:255**
IRD issue, **8:252**
problems, **8:253, 8:255**
Gift of NPSs interest to participant, form of, **8:271**
Gift tax issues, **8:82**
Income. See Allocation of principal and income, above
Income tax considerations
general discussion, **8:30- 8:39**
charitable trust as beneficiary, **8:241**
“inherited” IRAs, **8:38**
“inherited” qualified plans, **8:37**
IRAs, **8:38**
QTIP trust as beneficiary, **8:153- 8:155, 8:203**
rollovers, **8:35, 8:36**
single participants-optimal beneficiary designations, **8:94- 8:96, 8:98**
special income tax rules, **8:31- 8:39**
ten year averaging, **8:32**
Information gathering and counseling of client, **3:26, 3:30**
“Inherited” IRAs, **8:38**
“Inherited” qualified plans, **8:37**
IRAs. See index heading INDIVIDUAL RETIREMENTS ACCOUNTS (IRAS)
IRD issues
allocation to marital deduction amount, form of, **8:283**
bypass trust as beneficiary, **8:216, 8:219**
GST trust as beneficiary, **8:252**
QTIP trust as beneficiary, **8:184- 8:187**

**RETIREMENT PLANS AND
PLANNING—Cont’d**

IRD issues—Cont’d
 “The Trustee” as beneficiary,
 8:261
Irrevocability requirement, **8:106,**
8:128
Late distributions, tax considerations,
8:48
Lifetime distributions, commence-
ment date of, **8:4**
Lump sum distributions, **8:151-**
8:157, 8:215- 8:217
Marital deduction amount, form of
allocation of IRD to, **8:283**
Marital deduction issue, charitable
trust as beneficiary, **8:240**
Married participants-optimal benefi-
ciary designations
 general discussion, **8:78- 8:89**
 disclaimer option, **8:89**
 distributions as participant’s bene-
 ficiary, **8:88**
 estate tax marital deduction, **8:79-**
 8:81
 gift tax issue, **8:82**
 IRAs, **8:85- 8:87**
 options of spouse on death of par-
 ticipant, **8:84- 8:89**
 periodic payment issues, **8:81**
 primary beneficiary, spouse as,
 8:78- 8:89
 qualified terminable interest prop-
 erty (QTIP), **8:80**
 rollovers, **8:85**
 sole designated beneficiary, spouse
 qualifying as, **8:83**
MDIB rule, **8:137**
Minimum distribution rules
 bypass trust as beneficiary, above
 IRAs, treatment of, **8:17**
 lifetime distributions, commence-
 ment date of, **8:4**
 newest rules, **8:8**
 “new” minimum distribution
 rules, general summary of,
 8:7- 8:28
 “old” minimum distribution rules,
 general summary of, **8:6**

**RETIREMENT PLANS AND
PLANNING—Cont’d**

Minimum distribution rules—Cont’d
 overview, **8:1**
 QTIP trust as beneficiary, below
 recalculation, **8:21**
 “regular” minimum distribution
 rules, general summary of,
 8:3- 8:5
 required beginning date (RBD)
 commencement of distributions
 when participant would
 have attained 72, **8:16**
 death of participant before,
 8:15- 8:19
 five year rule, **8:20**
 IRAs, treatment of, **8:17, 8:18**
 no designated beneficiary, **8:20**
 recalculation limitation, **8:21**
 rollover of qualified plan
 benefits, **8:17**
 spousal options, **8:22**
 required distributions during par-
 ticipant’s lifetime, **8:5**
 rollover of qualified plan benefits,
 8:17
 spousal options, **8:22**
Multiple beneficiary rule
 bypass trust as beneficiary, **8:225-**
 8:228
 charitable trust as beneficiary,
 8:246
 QTIP trust as beneficiary, **8:169-**
 8:172
Naming trust as beneficiary, **8:145-**
8:150
Non-citizen spouse, QDOT trust as
beneficiary, **8:205**
One hundred thousand dollar exclu-
sion, estate taxation, **8:44**
Optimal beneficiary designations
 married participants. See Married
 participants-optimal benefi-
 ciary designations
 single participants. See Single
 participants-optimal benefi-
 ciary designations
Options of spouse on death of partici-
pant, **8:84- 8:89**

INDEX

RETIREMENT PLANS AND PLANNING—Cont'd

Penalty taxes, **8:46- 8:49**
Plan administrator issue, **8:109**
Plan distribution options, QTIP trust
as beneficiary, **8:168**
Post-death requirement, QTIP trust as
beneficiary, **8:194, 8:195**
Power of appointment, **8:142, 8:143,**
8:226, 8:236
Premature distributions, tax
considerations, **8:47**
Principal. See Allocation of principal
and income, above
Private letter ruling 91-09-021, **8:211**
Private letter ruling 93-21-032, **8:212**
Private letter ruling 96-23-063,
8:208- 8:210
QDOT trust
general discussion, **8:205- 8:214**
annuity as QDOT, **8:213**
creation of, **8:206**
final regulations, **8:214**
non-citizen spouse, **8:205**
private letter ruling 91-09-021,
8:211
private letter ruling 93-21-032,
8:212
private letter ruling 96-23-063,
8:208- 8:210
rollover by non-citizen spouse,
generally, **8:207- 8:212**
QTIP trust as beneficiary
general discussion, **8:151- 8:204**
all income requirement, estate tax
marital deduction issue,
8:190- 8:193
allocation of lump sum distribu-
tion, **8:156**
allocation of principal and income,
8:196, 8:197
charities and charitable trusts,
8:200, 8:239- 8:243
designated beneficiary issue,
8:174- 8:180
drafting issues, generally, **8:182-**
8:204
election requirement, **8:166**

RETIREMENT PLANS AND PLANNING—Cont'd

QTIP trust as beneficiary—Cont'd
estate tax considerations, **8:152,**
8:188- 8:193, 8:202
form of will provisions relating to,
8:277
fractional share approach, IRD
issue, **8:186**
income tax considerations, **8:153-**
8:155, 8:203
instructive rulings, **8:204**
IRD issue, **8:184- 8:187**
lump sum distributions, **8:151-**
8:157
minimum distribution payments,
generally, **8:158- 8:172**
multiple beneficiary rules, **8:169-**
8:172
plan distribution options, **8:168**
post-death requirement, **8:194,**
8:195
principal and income allocation,
8:156, 8:165
“qualifying income interest for
life” requirement, **8:159-**
8:165
regulatory requirements, **8:167**
remainder beneficiary issues,
8:198- 8:200
required beginning date (RBD)
designated beneficiary require-
ments, **8:176- 8:180**
residuary trust approach, IRD
issue, **8:187**
results if trust named beneficiary,
8:173- 8:181
rollover option of spouse, **8:181**
specific bequest approach, IRD
issue, **8:185**
tax payment issues, generally,
8:201- 8:203
unproductive assets issue, **8:193**
Qualified joint and survivor annuity,
8:52
Qualified plans, community property
laws, **8:68**
Qualified preretirement survivor
annuity, **8:53**

**RETIREMENT PLANS AND
PLANNING—Cont’d**

Qualified terminable interest property. See QTIP trust as beneficiary, above

“Qualifying income interest for life” requirement, **8:159- 8:165**

Recalculation
required beginning date (RBD), **8:21**

Regulatory requirements
QTIP trust as beneficiary, **8:167**
trust as beneficiary, below

Remainder beneficiaries of trust, **8:131, 8:198- 8:200**

Required beginning date (RBD)
bypass trust as beneficiary, **8:222**
minimum distribution. See Minimum distribution rules, above
QTIP trust as beneficiary, above
trust as beneficiary, **8:125, 8:128**

Residuary trust approach, IRD issue, **8:187**

Rollovers
general discussion, **8:262- 8:268**
bypass trust as beneficiary, **8:223**
favorable rulings, **8:263- 8:265**
IRAs, **8:266- 8:268**
married participants-optimal beneficiary designations, **8:85**
minimum distribution rules, **8:17**
no IRA rollover permitted, **8:266- 8:268**
planning technique, **8:262**
QDOT trust as beneficiary, **8:207- 8:212**
QTIP trust as beneficiary, **8:181**
sample rulings, **8:264, 8:267**
tax considerations, **8:35, 8:36**

SECURE Act and 2.0, **8:3**

Segregated shares, definition, **8:119**

Separate accounts
trust as beneficiary, **8:116- 8:120**

Shortest life expectancy rule, **8:112**

Single participants-optimal beneficiary designations
general discussion, **8:90- 8:98**
charity, income tax result for, **8:98**

**RETIREMENT PLANS AND
PLANNING—Cont’d**

Single participants-optimal beneficiary designations—Cont’d

children
single participants with, **8:90- 8:92**
single participants without, **8:93- 8:98**

contractual restrictions on distributions, **8:92**

estate tax result, **8:97**

income tax results, **8:94- 8:96, 8:98**

individual accounts, **8:92**

multiple beneficiary rules, **8:91, 8:92, 8:95**

separate accounts, **8:92, 8:96**

Specific bequest approach, IRD issue, **8:185**

Spousal rights
general discussion, **8:50- 8:65**
beneficiary, spouse must be, **8:55**
community property. See Community property laws, above
consent to waiver, **8:60- 8:63**
consideration of, **8:65**
“MDIB” multiple beneficiary rules, **8:124- 8:129**
minimum distribution rules, **8:22 et seq.**
naming trust as beneficiary, **8:145- 8:150**
no annuity rule, **8:56**
not a transferee plan, **8:57**
qualified joint and survivor annuity, **8:52**
qualified preretirement survivor annuity, **8:53**
sample language, **8:64**
two required spousal benefits for certain plans, **8:51- 8:53**
waivers, **8:58- 8:65**

Tax considerations
general discussion, **8:29- 8:49**
capital gain treatment, **8:33**
estate taxation. See Estate tax issues, above

INDEX

RETIREMENT PLANS AND PLANNING—Cont'd

Tax considerations—Cont'd
excess accumulations, elimination of penalty tax on, **8:49**
five thousand dollar death benefit exclusion, **8:39**
five year averaging, **8:34**
income taxation. See Income tax considerations, above
“inherited” IRAs, **8:38**
“inherited” qualified plans, **8:37**
IRAs, **8:38, 8:45**
late distributions, **8:48**
one hundred thousand dollar exclusion, estate taxation, **8:44**
penalty taxes, **8:46- 8:49**
premature distributions, **8:47**
QTIP trust as beneficiary, **8:201- 8:203**
rollovers, **8:35, 8:36**
special income tax rules, **8:31- 8:39**
ten year averaging, **8:32**
transitional rules, **8:42- 8:44**
trust as beneficiary, **8:100**
unlimited exclusion, estate taxation, **8:43**
Tax planning, **12:117**
Ten year averaging, tax considerations, **8:32**
“The Trustee” as beneficiary
general discussion, **8:256- 8:261**
community property issues, **8:260**
contingent beneficiaries, **8:257**
IRD issues, **8:261**
naming trustee, **8:256- 8:261**
Trust as beneficiary
general discussion, **8:99- 8:150**
application of multiple beneficiary rules in trust context, **8:130- 8:133**
bypass trusts. See Bypass trust as beneficiary, above
charitable trusts. See Charitable trust as beneficiary, above
consent of spouse to waiver of annuity, **8:147- 8:149**

RETIREMENT PLANS AND PLANNING—Cont'd

Trust as beneficiary—Cont'd
contingent beneficiaries, **8:114, 8:115, 8:132, 8:133**
death contingency issue, **8:141**
death of spouse, **8:126**
delivery of trust document requirement, **8:107**
determining designated beneficiary treatment where trust named as beneficiary, **8:134- 8:144**
disclaimers, **8:141**
exception to “regular” multiple beneficiary rules, **8:113**
four trust regulatory requirements, **8:105**
GST trusts. See GST trust as beneficiary, above
irrevocability requirement, **8:106, 8:128**
MDIB, bypass trusts, **8:137**
“MDIB” multiple beneficiary rules, generally, **8:123- 8:129**
multiple beneficiary rules, generally, **8:110-144**
naming trust as beneficiary, **8:145- 8:150**
nontax reasons, **8:99**
operative wording of regulations, **8:103**
plan administrator issue, **8:109**
power of appointment, **8:142, 8:143**
problems with original regulations, **8:104**
QDOT trusts. See QDOT trust as beneficiary, above
QTIP trusts. See QTIP trust as beneficiary, above
“regular” multiple beneficiary rules, **8:111- 8:122**
regulatory requirements, generally, **8:102- 8:109**
remainder beneficiaries of trust, **8:131**
required beginning date (RBD), **8:125- 8:128**
rollovers. See Rollovers, above

**RETIREMENT PLANS AND
PLANNING—Cont'd**

Trust as beneficiary—Cont'd
 segregated shares, definition, **8:119**
 separate accounts, **8:116- 8:120**
 shortest life expectancy rule, **8:112**
 special multiple beneficiary rule,
 8:122
 spousal rights, **8:124- 8:129,**
 8:145- 8:150
 tax reasons, **8:100**
 “The Trustee.” See “The Trustee”
 in general as beneficiary,
 above
 waiver of annuity, **8:146- 8:149**
 Unlimited exclusion, estate taxation,
 8:43
 Unproductive assets issue, QTIP trust
 as beneficiary, **8:193**
 Waiver
 annuity, **8:146- 8:149**
 spousal rights, **8:58- 8:65**
 Will provisions, form of revocable
 plan benefits trust, **8:276**

REVALUATION

Revenue Ruling 64-19 funding,
 4:303

**REVERSIONS AND
REVERSIONARY INTEREST**

Dispositive planning, **10:109**
 Federal transfer tax. See index head-
 ing **FEDERAL TRANSFER TAX SYSTEM**
 Income taxation of trusts and estates,
 7:68
 Tax planning, **12:138**

REVIEW

See index heading **APPEAL AND REVIEW**

REVIVAL

Revoked will, **4:467- 4:469**

REVOCABLE OR IRREVOCABLE

Disclaimers. See index heading
 DISCLAIMERS
 Dispositive planning
 general discussion, **10:77-10:85**
 for detailed treatment see index
 heading **DISPOSITIVE PLANNING**

**REVOCABLE OR IRREVOCABLE
—Cont'd**

Federal transfer tax system, **6:96**
 Retirement plans and planning,
 8:106, 8:128
 Tax planning. See index heading **TAX**
 PLANNING
 Trusts. See index heading **TRUSTS**

REVOCATION

Income taxation of trusts and estates,
 7:72
 Lifetime planning. See index heading
 LIFETIME PLANNING
 Wills
 general discussion, **4:428- 4:483**
 for detailed treatment see index
 heading **WILLS**

ROLLING GRATs

Tax planning, **12:283**

ROLLOVERS

Retirement plans. See index heading
 RETIREMENT PLANS AND PLANNING

RUBBER STAMP, SIGNATURE BY

Wills, **4:54**

RULE AGAINST PERPETUITIES

Trusts. See index heading **TRUSTS**
 Wills, **4:359- 4:362**

SAFE DEPOSIT BOXES

Domicile, **1:83**
 Wills, **4:483**

SAFEKEEPING OF WILL

General discussion, **4:473- 4:481**
 For detailed treatment see index
 heading **WILLS**

**SALE OR TRANSFER OF
PROPERTY**

Disclaimers, **15:25**
 Federal transfer tax system, **6:123**
 Tax planning. See index heading **TAX**
 PLANNING
 Trusts, **5:196, 5:200, 5:416- 5:418**
 Wills. See index heading **WILLS**

SAME SEX COUPLES

Dispositive planning, **10:157**

INDEX

SATISFACTION

Ademption by, **4:425**

S CORPORATIONS

Family limited partnerships, **13:36**

Tax planning, **12:276**

SEALED WRAPPER

Safekeeping of will, **4:477**

SECOND TIER, COMPLEX TRUSTS

Income taxation of trusts and estates, **7:50, 7:53**

SECTION 142 TRUSTS

See index heading TRUSTS

SECTION 867 TRUSTS

Generally, **5:500**

SECURITIES

Specific devise of, **4:269- 4:272**

Trusts, **5:203, 5:419**

SEGREGATION OF TRUST PROPERTY

Trustee's duty as to, **5:367, 5:368**

SELF-DEALING

Trustee, **5:414- 5:420**

Wills. See index heading WILLS

SELF-PROVING AFFIDAVIT

Wills. See index heading WILLS

SEPARATE PROPERTY

Community property system, **1:35**

Dispositive planning, **10:92**

Probate, descent and distribution, **1:65-1:68**

Retirement plans. See index heading
RETIREMENT PLANS AND PLANNING

SEPARATE SHARE RULE

Income taxation of trusts and estates, **7:14, 7:39, 7:105**

SERIES E AND EE INTEREST DEDUCTIONS

Decedent's final income tax return, election as to, **15:95**

SETTLOR

Trusts

general discussion, **5:321- 5:329**

for detailed treatment see index

heading TRUSTS

SEVERABLE PROPERTY INTERESTS

Disclaimers, **15:21**

SHELLEY'S CASE

Wills, **4:247**

SHORTEST LIFE EXPECTANCY RULE

Retirement plans and planning, **8:112**

SIGNATURE

Trustee, **5:173**

Wills. See index heading WILLS

SIGNIFICANT OTHERS

Dispositive planning, **10:155-10:158**

SIMPLE TRUSTS

Income taxation of trusts and estates

general discussion, **7:23-7:29**

for detailed treatment see index

heading INCOME TAXATION OF
TRUSTS AND ESTATES

SINGLE

PARTICIPANTS-OPTIMAL BENEFICIARY DESIGNATIONS

Retirement plans. See index heading
RETIREMENT PLANS AND PLANNING

SIXTY-FIVE DAY RULE

Income taxation of trusts and estates, **7:18-7:20**

SMALL TRUST PROVISION

Form of, **5:525**

SOLE EXECUTOR

Wills, **4:153**

SOUND MIND REQUIREMENT

Wills, **4:89- 4:93**

SPECIAL DURABLE POWER OF ATTORNEY

General discussion, **9:14**

SPECIAL POWERS OF APPOINTMENT

Disclaimers, **15:57**

SPECIAL RULES

Income tax. See index heading
INCOME TAXATION OF TRUSTS AND
ESTATES

SPECIAL USE VALUATION

Elections, **15:97**
Federal transfer tax system, **6:156,**
6:247, 6:248
Gifts and lifetime transfers, **12:130**

SPECIFIC BEQUESTS

Homestead, tax planning, **12:48-**
12:51
Income taxation of trusts and estates,
7:95, 7:102-7:104
Wills. See index heading WILLS

SPENDTHRIFT TRUST

General discussion, **5:89- 5:97**
For detailed treatment see index
heading TRUSTS

SPLIT GIFTS

Federal transfer tax. See index head-
ing FEDERAL TRANSFER TAX SYSTEM
Tax planning
general discussion, **12:164-12:184**
See index heading TAX PLANNING

SPLIT INTERESTS

Federal transfer tax system, **6:244**
Tax planning
general discussion, **12:234-12:361**
for detailed treatment see index
heading TAX PLANNING

SPOUSES

Attorney-client relationship, manag-
ing of, **2:19**
Community property. See index
heading COMMUNITY PROPERTY
SYSTEM
Dispositive planning
general discussion, **10:120-10:132**
for detailed treatment see index
heading DISPOSITIVE PLANNING

SPOUSES—Cont'd

Retirement plans and planning
general discussion, **8:50- 8:65**
for detailed treatment see index
heading RETIREMENT PLANS AND
PLANNING
Tax planning. See index heading TAX
PLANNING
Trusts. See index heading TRUSTS

SPRINGING POWER OF ATTORNEY

General discussion, **9:19, 9:24**

SPRINKLING POWER OF TRUSTEE

Tax planning, **12:295**

STAFF OF ATTORNEY

Information gathering and counseling
of client, **3:6**

STANDARD OF CARE

Durable power of attorney, **9:41**

STANDARD OF LIVING

Trusts, **5:260**

STAND-BY MANAGEMENT TRUSTS

General discussion, **9:46**

STATE BAR OF TEXAS

Regulation of attorney conduct, **2:4**

STATE DEATH TAXES

Federal transfer tax system, **6:138**
Federal transfer tax system. See
index heading FEDERAL TRANSFER
TAX SYSTEM

STATE GIFT TAXES

Federal transfer tax system, **6:89**

STATE GST

Federal transfer tax system, **6:184**

STATUTES AND STATUTORY PROVISIONS

Dispositive planning, **10:165-10:170**
Income taxation of trusts and estates,
7:92, 7:99
Lifetime planning. See index heading
LIFETIME PLANNING

INDEX

STATUTES AND STATUTORY PROVISIONS—Cont'd

Trusts. See index heading TRUSTS
Wills. See index heading WILLS

STATUTORY POWER OF ATTORNEY

General discussion, **9:8**
Caution message and overview of statute, **9:8**

STEP UP IN BASIS AT DEATH

Gifts and lifetime transfers, **12:123**

STOCK AND BONDS

Durable power of attorney for transactions involving, **9:36**
Family limited partnerships, stock options, **13:32**

STRUCTURE OF TRANSFERS

Information gathering and counseling of client, **3:50**

SUBCHAPTER J

Income taxation of trusts and estates, **7:5**

SUBCHAPTER S STOCK

Family limited partnerships, **13:36**

SUBSTANCE ABUSE

See index heading DRUGS AND DRUG ABUSE

SUCCESSOR TRUSTEE

See index heading TRUSTS

SUPPORT OF PERSONS

Dispositive planning, **10:121**
Federal transfer tax system, **6:30**
Income taxation of trusts and estates, **7:77, 7:82**
Trusts, **5:259**

SUPREME COURT OF TEXAS

Attorney-client relationship, managing of, **2:4**

SURVIVORS AND SURVIVORSHIP

Dispositive planning, **10:175-10:178**

TAX ADVISORS

Dispositive planning, **10:43**

TAX ADVISORS—Cont'd

Information gathering and counseling of client, **3:15**

TAX CUT AND JOBS ACT (TCJA) AND ONE BIG BEAUTIFUL BILL ACT OF 2025 (OBBBA)

Transfer taxes, planning, **12:12**

TAX DEFERRED RETIREMENT PLANS

Dispositive planning
general discussion, **10:200-10:221**
for detailed treatment see index heading DISPOSITIVE PLANNING

TAX MATTERS

Disclaimers, **15:3, 15:27-15:31, 15:35, 15:76**
Dispositive planning. See index heading DISPOSITIVE PLANNING
Durable power of attorney for, **9:40**
Franchise tax. See index heading FRANCHISE TAX
Goal of estate planning, tax minimization as, **1:13-1:16**
Income tax. See index heading INCOME TAX
Information gathering and counseling of client, **3:53-3:56**
Planning. See index heading PLANNING
Retirement plans and planning
general discussion, **8:29- 8:49**
for detailed treatment see index heading RETIREMENT PLANS AND PLANNING
Sales to defective grantor trusts, **11:120**
Trusts. See index heading TRUSTS
Wills, **4:279, 4:286**

TAX PLANNING

General discussion, **12:1-12:395**
Additional contributions, grantor retained annuity trust (GRAT), **12:259**
Administrative matters, **12:70, 12:300**
Aliens. See Non-U.S. citizens and residents, below

TAX PLANNING—Cont'd

- All skip persons, GST exemption, **12:220**
- Amount
 - bypass trusts, amount of property held in, **12:24**
 - grantor retained annuity trust (GRAT), amount of annuity, **12:252-12:256**
- Annual exclusion, **12:2**
 - dynasty trusts, **12:208-12:210**
 - generation-skipping trust (GST), **11:68-11:71**
 - lifetime transfers. See Gifts and lifetime transfers, below
 - split gifts. See Split gifts, below
- Annual withdrawal trust, annual exclusion from gift tax, **12:152**
- Beneficiary's control over assets, maximizing, **12:38**
- Business minority interest, leveraging gift, **12:195**
- Bypass trusts
 - general discussion, **12:22-12:45**
 - advantages, **12:34, 12:35**
 - amount of property held in, **12:24**
 - assets used to fund bypass, **12:36**
 - beneficiary's control over assets, maximizing, **12:38**
 - benefits from bypass trust, maximizing, **12:42-12:45**
 - discretionary distribution of income, **12:43**
 - five and five power, **12:40**
 - formula funding, use of, **12:25-12:35**
 - fractional share bypass, **12:27**
 - homestead, funding of bypass, **12:49**
 - marital deduction trusts and gifts, bypass formula clauses, **12:59, 12:60**
 - pecuniary bypass, **12:28, 12:31-12:33**
 - power of appointment, **12:41**
 - residuary bypass, **12:29, 12:30, 12:35**
 - survivor's control over assets, maximizing, **12:37-12:41**

TAX PLANNING—Cont'd

- Bypass trusts—Cont'd
 - trustee's control over assets, maximizing, **12:39**
 - who needs it, **12:23**
- Capital gains exclusion, personal residence trust (PRT), **12:354**
- Cash or money
 - irrevocable life insurance trusts, **12:106**
 - personal residence trust (PRT) and qualified personal residence trust (QPRT), **12:331, 12:332**
- Cessation of use as personal residence, **12:338-12:341**
- Charitable lead annuity trusts, allocation to, **12:233**
- Charitable remainder trust, **12:116**
- Charity, gift and estate tax deductions to, **12:18**
- Children. See Gifts and lifetime transfers, below
- Closely held business or stock, **12:132, 12:279**
- Commutation
 - grantor retained annuity trust (GRAT), **12:262**
 - personal residence trust (PRT) and qualified personal residence trust (QPRT), **12:328**
- Credits, non-U.S. citizens and residents, **12:388-12:391**
- Crummey trust, annual exclusion from gift tax, **12:152**
- Damage or destruction, personal residence trust (PRT) and qualified personal residence trust (QPRT), **12:340**
- Deductions
 - gift and estate taxes, **12:16-12:18**
 - non-U.S. citizens and residents, **12:392-12:394**
- Defective grantor trusts. See Sales to defective grantor trust, below
- Definitions
 - "residence," **12:324**
 - "use," **12:339**
- Depressed value of property
 - grantor retained annuity trust (GRAT), **12:289**

INDEX

TAX PLANNING—Cont'd

- Depressed value of property—Cont'd
 - leveraging gift, **12:190**
- Direct skips, generation-skipping tax, **12:381**
- Discounted value, leveraging gift, **12:191-12:198**
- Distributions, non-U.S. citizens and residents, **12:382**
- Domicile. See Residence, below
- Dynasty trusts
 - general discussion, **12:199-12:233**
 - all skip persons, GST exemption, **12:220**
 - annual exclusion, **12:208-12:210**
 - charitable lead annuity trusts, allocation to, **12:233**
 - estate tax inclusion period, **12:219, 12:232**
 - exemption
 - funding trust, **12:211**
 - GST exemption, allocation of, generally, **12:217-12:233**
 - funding of trust, generally, **12:207-12:216**
 - generation-skipping tax exemption, generally, **12:217-12:233**
 - grantor trust, structuring as, **12:206**
 - gross estate transfers, generally, **12:228-12:231**
 - highly appreciating property, fund with, **12:214, 12:215**
 - larger estate structure, **12:202**
 - late allocation of gross estate transfers, **12:231**
 - late filed GST exemption, **12:225-12:227**
 - leveraging gift, **12:213**
 - life insurance, **12:216**
 - maximizing benefits, **12:203-12:206**
 - skip and non-skip persons, GST exemption, **12:221**
 - smaller estate structure, **12:201**
 - structure, **12:200-12:206**
 - taxable gifts, **12:212-12:216**
 - time requirements
 - allocation of gross estate transfers, **12:230**

TAX PLANNING—Cont'd

- Dynasty trusts—Cont'd
 - time requirements—Cont'd
 - GST exemption, timely filing of, **12:222-12:224**
- Estate taxes. See Gift and estate taxes, below
- Estate trust, **12:75**
- Exceptions to gifts made within three years of death, **12:135-12:140**
- Exclusions
 - annual exclusion, **12:2**
 - annual exclusion. See Annual exclusion, above
 - capital gains exclusion, **12:354**
 - generation-skipping taxes, **12:21**
 - gift and estate taxes, **12:15**
- Exemptions
 - dynasty trusts, above
 - fundamental planning for all estate plans over exemption amount, generally, **12:22-12:117**
 - generation-skipping taxes, **12:20**
 - gifts and lifetime transfers, **12:160-12:163**
 - GST exemption, below
 - overview of tax reduction techniques, **12:3**
- Expatriates, special rules for, **12:367-12:371, 12:395**
- Extension of time to pay estate tax, **12:131-12:133**
- Fairly representative pecuniary formula funding clauses, **12:65**
- Family limited partnership, **12:196**
- Five and five power, bypass trusts, **12:40**
- Five million dollars, taxable estate over or under, **12:319, 12:320**
- Fixed amount of annuity, grantor retained annuity trust (GRAT), **12:253**
- Foreign countries. See Non-U.S. citizens and residents, below
- Formula funding
 - bypass trusts, **12:25-12:35**
 - marital deduction trusts and gifts, **12:56-12:60**
 - partnerships, **13:63**

TAX PLANNING—Cont'd

- Fractional interests
 - bypass trusts, **12:27**
 - marital deduction trusts and gifts, **12:57, 12:62**
 - personal residence trust (PRT) and qualified personal residence trust (QPRT), **12:359**
- Fundamental planning for all estate plans over exemption amount, generally, **12:22-12:117**
- Funding
 - dynasty trusts. See Dynasty trusts, above
 - formula funding. See Formula funding, above
 - irrevocable life insurance trusts, **12:104-12:107**
 - marital deduction trusts and gifts, **12:61-12:70**
- Future use of property, leveraging gift, **12:197**
- Generation-skipping transfer tax
 - general discussion, **12:19-12:21, 12:83-12:87**
 - dynasty trusts, above
 - exclusions, **12:21**
 - exemptions, **12:20**
 - dynasty trusts, above
 - gifts and lifetime transfers, **12:129, 12:158**
 - grandchildren, effect of absence of, **12:86**
 - grantor retained annuity trust (GRAT), **12:267**
 - irrevocable life insurance trust, generation-skipping trust used as, **12:109-12:111**
 - limitation on amounts held, **12:87**
 - maximizing control of property, **12:85**
 - non-U.S. citizens and residents, **12:378-12:385**
 - overview of benefits, **12:84**
- Gift and estate taxes
 - general discussion, **12:11-12:18**
 - charity, deductions to, **12:18**
 - deductions, **12:16-12:18**
 - dynasty trusts, **12:219, 12:232**

TAX PLANNING—Cont'd

- Gift and estate taxes—Cont'd
 - exclusions from tax, **12:15**
 - grantor retained annuity trust (GRAT), **12:264-12:266, 12:268-12:270**
 - irrevocable trusts. See Irrevocable life insurance trusts, below
 - lifetime transfers, **12:131-12:133, 12:140**
 - non-U.S. citizens. See Non-U.S. citizens and residents, below
 - personal residence trust (PRT) and qualified personal residence trust (QPRT), **12:343-12:349**
 - rate of tax, **12:13**
 - sales to defective grantor trust, **12:307, 12:308**
 - split interests, lifetime transfers using, **12:236-12:245**
 - spouse, deductions to, **12:17**
 - unified credit, **12:14**
- Gifts and lifetime transfers
 - general discussion, **12:118-12:233**
 - annual exclusion
 - maximum use of, **12:141-12:145**
 - qualifying for, **12:147-12:155**
 - annual withdrawal trust, annual exclusion from gift tax, **12:152**
 - balancing tradeoffs imposed by client's objectives, **12:120**
 - children
 - annual exclusion from gift tax, **12:153**
 - IRA funding for child, **12:144**
 - psychological impact of gifts on children, **12:145**
 - uniform transfers to minors, annual exclusion from gift tax, **12:151**
 - use of exemption, **12:161**
 - closely held business extension of time to pay estate tax, **12:132**
 - constraint on dispositive desires, tax planning as, **12:119**
 - Crummey trust, annual exclusion from gift tax, **12:152**

INDEX

TAX PLANNING—Cont'd

Gifts and lifetime transfers—Cont'd
dynasty trusts. See Dynasty trusts, above
exceptions to gifts made within three years of death, **12:135-12:140**
exemption, use of, **12:160-12:163**
extension of time to pay estate tax, **12:131-12:133**
form of making gifts, **12:146-12:155**
generation-skipping tax, **12:129, 12:158**
grandchildren, **12:157, 12:161**
income interests gifts, annual exclusion from gift tax, **12:149**
intent to accumulate, **12:155**
IRA funding for child, **12:144**
leveraging. See Leveraging gift, below
life insurance, exceptions to gifts made within three years of death, **12:136**
limitation on Section 303 stock redemptions, **12:125**
medical exclusion, maximum use of, **12:159**
outright gifts, annual exclusion from gift tax, **12:148**
psychological impact of gifts on children, **12:145**
reasons for not making lifetime gifts, **12:122-12:133**
remote descendants, gifts to, **12:156-12:158**
retained life estate release, **12:137**
reversionary interest release, **12:138**
revocable transfer, **12:139**
Section 6166 extension of time to pay estate tax, **12:131-12:133**
Section 303 stock redemptions, **12:124-12:129**
Section 2503(c) trusts, annual exclusion from gift tax, **12:150**
special use valuation, **12:130**

TAX PLANNING—Cont'd

Gifts and lifetime transfers—Cont'd
split gifts. See Split gifts, below
split interests. See Split interests, lifetime transfers using, below
spouse, use of exemption for, **12:162**
step up in basis at death, **12:123**
tax benefits from gifts, **12:121**
taxes on gifts. See Gift and estate taxes, above
three years of death, gifts made within, generally, **12:134-12:140**
tuition exclusion, maximum use of, **12:159**
two or more businesses, interest in, **12:133**
uniform transfers to minors, annual exclusion from gift tax, **12:151**
Grandchildren
generation-skipping trusts, **12:86**
gifts and lifetime transfers, **12:157, 12:161**
Grantor retained annuity trust (GRAT)
general discussion, **12:246-12:290**
additional contributions, **12:259**
amount of annuity, **12:252-12:257**
beneficial situations in which to use, **12:286-12:290**
closely held stock, funding with, **12:279**
commutation, **12:262**
depressed value of assets, **12:289**
estate tax consequences, **12:268-12:270**
fixed amount of annuity, **12:253**
generation-skipping tax consequences, **12:267**
gift tax consequences, **12:264-12:266**
health of grantor, **12:287**
high return or high risk investment, **12:290**
income in excess of annuity amount, **12:258**

TAX PLANNING—Cont'd

Grantor retained annuity trust (GRAT)—Cont'd
 income taxation of GRAT, **12:271-12:276**
 income taxation of trusts and estates, **11:94-11:99**
 incorrect valuation of amount of annuity, **12:255**
 increase of amount of annuity, **12:254**
 increasing annuity payments, **12:285**
 insufficient income to pay annuity, **12:281**
 intentional grantor status, **12:275**
 multiple GRATs, use of, **12:282**
 other persons, payment to, **12:260**
 payment of annuity requirement, **12:248-12:251**
 percentage or fraction as payout, use of, **12:278**
 planning considerations, **12:277-12:290**
 prepayment, **12:251**
 requirements, generally, **12:247-12:262**
 return rate, **12:288, 12:290**
 rolling GRATs, use of, **12:283**
 S corporation stock owned by GRAT, **12:276**
 Section 673 income taxation of GRAT, **12:274**
 Section 677 income taxation of GRAT, **12:273**
 short taxable years, **12:256**
 tax consequences, generally, **12:263-12:276**
 term, **12:261**
 time for payment, **12:250**
 transferring interests in closely held businesses, **11:88-11:99**
 trustee, grantor as, **12:280**
 use of term GRAT, **12:284**
 withdrawal, right of, **12:249**
 Grantor retained income trust (GRIT). See Personal residence trust (PRT) and Qualified

TAX PLANNING—Cont'd

personal residence trust (QPRT), below
 GRAT. See Grantor retained annuity trust (GRAT), above
 Gross estate transfers, generally, **12:228-12:231**
 Health of grantor, grantor retained annuity trust (GRAT), **12:287**
 Highly appreciating property, dynasty trust fund with, **12:214, 12:215**
 High return or high risk investment, grantor retained annuity trust (GRAT), **12:290**
 Homestead
 bypass, funding of, **12:49**
 specific bequest of homestead, **12:48-12:51**
 survivor's homestead right, **12:47**
 undivided interest, **12:51**
 House grantor retained income trust (GRIT). See Personal residence trust (PRT) and Qualified personal residence trust (QPRT), below
 Husband and wife. See Spouses, below
 Improvements, personal residence trust (PRT) and qualified personal residence trust (QPRT), **12:334**
 Income, donor taxed on, **12:198**
 Income interests gifts, annual exclusion from gift tax, **12:149**
 Income taxes
 grantor retained annuity trust (GRAT), **12:271-12:276**
 irrevocable life insurance trusts, **12:93, 12:103**
 personal residence trust (PRT) and qualified personal residence trust (QPRT), **12:350-12:352**
 sales to defective grantor trust, **12:309**
 Insurance
 life insurance, below
 personal residence trust (PRT) and qualified personal residence trust (QPRT), **12:336**

INDEX

TAX PLANNING—Cont'd

- Interest, personal residence trust (PRT), **12:356**
- IRA funding for child, **12:144**
- Irrevocable life insurance trusts
 - general discussion, **12:88-12:116**
 - administration of trust, **12:108**
 - advantages, **12:112-12:115**
 - cash, funding trust with, **12:106**
 - charitable remainder trust, use with, **12:116**
 - estate taxes. See Gift and estate taxes, below in this group
 - funding trust, **12:104-12:107**
 - generation-skipping trust used as, **12:109-12:111**
 - gift and estate taxes
 - general discussion, **12:97-12:102**
 - five thousand dollars, gifts in excess of, **12:99**
 - grantor, estate tax, **12:101**
 - life insurance, **12:91, 12:92**
 - present interest requirement, **12:98**
 - spouse, estate tax, **12:101**
 - income tax, **12:93, 12:103**
 - insurance policies, funding trust with, **12:105**
 - premiums, payment of, **12:107**
 - structure of trust, generally, **12:96-12:111**
 - taxation of life insurance, **12:90-12:93**
 - use of life insurance trust, **12:95**
 - wealth transfer vehicle, **12:94**
- Late allocation of gross estate transfers, **12:231**
- Late filed GST exemption, **12:225-12:227**
- Leveraging
 - general discussion, **12:189-12:198**
 - appreciation in assets, transferring of, **12:8**
 - business minority interest, **12:195**
 - combining multiple techniques, **12:9**
 - depressed value property, **12:190**
 - discounted value, **12:191-12:198**

TAX PLANNING—Cont'd

- Leveraging—Cont'd
 - dynasty trusts, **12:213**
 - family limited partnership, **12:196**
 - future use of property, **12:197**
 - income, donor taxed on, **12:198**
 - minority interest, **12:194-12:196**
 - overview of tax reduction techniques, **12:7-12:9**
 - real estate, interests in, **12:192, 12:193**
 - undivided interests in real estate, **12:192**
- Life estate, marital deduction trusts and gifts, **12:77**
- Life insurance
 - dynasty trusts, **12:216**
 - irrevocable trusts. See Irrevocable life insurance trusts, above
- Lifetime transfers. See Gifts and lifetime transfers, above
- Limitations
 - generation-skipping trusts, **12:87**
 - Section 303 stock redemptions, **12:125**
- Marital deduction trusts and gifts
 - general discussion, **12:52-12:82**
 - administration expenses, marital share funding clauses, **12:70**
 - advantages and disadvantages, **12:54**
 - bypass formula clauses, **12:59, 12:60**
 - distribution values, pecuniary formula funding clauses, **12:64**
 - estate trust, **12:75**
 - fairly representative pecuniary formula funding clauses, **12:65**
 - formula clauses, **12:56-12:60**
 - fractional formulas, **12:57, 12:62**
 - funding clauses, **12:61-12:70**
 - life estate, **12:77**
 - marital share funding clauses, **12:67-12:70**
 - minimum worth pecuniary formula funding clauses, **12:66**
 - outright bequest, **12:55, 12:73**

TAX PLANNING—Cont'd

Marital deduction trusts and gifts
 —Cont'd
 pecuniary formulas, **12:58, 12:63-12:66**
 power of appointment, **12:76**
 qualified domestic trusts (QDOT), **12:79-12:82**
 qualified terminable interest property trust (QTIP), **12:78**
 residuary formula clauses, **12:59, 12:60**
 survival requirement, **12:72**
 types of marital deduction qualifying interests, generally, **12:71-12:82**
 unlimited marital deduction, **12:53**
 valuation issues, marital share funding clauses, **12:69**
 Medical exclusion, maximum use of, **12:159**
 Medical payments, **12:4**
 Minimum worth pecuniary formula funding clauses, **12:66**
 Minority interest, leveraging gift, **12:194-12:196**
 Mortgage requirements, personal residence trust (PRT), **12:326, 12:335**
 Multiple GRATs, use of, **12:282**
 Net gifts, **12:185-12:188**
 Non-U.S. citizens and residents
 general discussion, **12:362-12:395**
 credits, **12:388-12:390, 12:391**
 deductions, **12:392-12:394**
 direct skips, generation-skipping tax, **12:381**
 distributions, **12:382**
 estate tax. See Gift and estate taxes, below in this group
 expatriates, special rules for, **12:367-12:371, 12:395**
 generation-skipping tax, generally, **12:378-12:385**
 gift and estate taxes
 general discussion, **12:372-12:377, 12:395**
 credits, **12:389, 12:390**
 deductions, **12:393, 12:394**

TAX PLANNING—Cont'd

Non-U.S. citizens and residents
 —Cont'd
 gift and estate taxes—Cont'd
 inclusion period, **12:384**
 history of rates and credits, **12:391**
 long-term residence, termination of, **12:371**
 loss of citizenship, **12:368-12:370**
 motivation for loss of citizenship, **12:368-12:370**
 property subject to tax, generally, **12:363-12:391**
 rates, **12:387, 12:391**
 situs of property subject to tax, **12:364-12:366**
 special rules for expatriates, **12:367-12:371, 12:395**
 transitional rule, **12:385**
 trusts funded by property subject to generation-skipping tax, **12:383**
 Number of residences, limit on, **12:323**
 Pecuniary bypass trusts, **12:28, 12:31-12:33**
 Pecuniary formula funding clauses, **12:63-12:66**
 Pecuniary marital amount formula clause, **12:58**
 Percentage or fraction as payout, use of, **12:278**
 Personal residence trust (PRT) and qualified personal residence trust (QPRT)
 general discussion, **12:315-12:361**
 assets of trust, **12:329-12:333**
 benefits, generally, **12:316-12:320**
 capital gains exclusion, **12:354**
 cash additions, **12:331, 12:332**
 caveats, **12:357**
 cessation of use as personal residence, **12:338-12:341**
 commutation, **12:328**
 damage or destruction, **12:340**
 definitions, **12:324, 12:339**
 estate tax consequences, **12:347-12:349**

INDEX

TAX PLANNING—Cont'd

- Personal residence trust (PRT) and qualified personal residence trust (QPRT)—Cont'd
 - five million dollars, taxable estate over or under, **12:319, 12:320**
 - fractional interest, transfer of, **12:359**
 - general requirements, **12:321-12:324**
 - gift tax consequences, **12:343-12:346**
 - improvements, **12:334**
 - income tax consequences, **12:350-12:352**
 - insurance, **12:336**
 - interest, **12:356**
 - miscellaneous tax considerations, **12:353-12:356**
 - mortgage requirements, **12:326, 12:335**
 - number of residences, limit on, **12:323**
 - planning considerations, **12:358-12:361**
 - property tax considerations, **12:355**
 - real estate taxes, **12:356**
 - reinvestment of proceeds, **12:327**
 - requirements
 - personal residence trust, **12:325-12:328**
 - qualified personal residence trust, **12:329-12:341**
 - risk factors, **12:357**
 - sale of residence, **12:337**
 - tax consequences, **12:342-12:356**
 - types of trusts, **12:322**
- Power of appointment
 - bypass trusts, **12:41**
 - marital deduction trusts and gifts, **12:76**
- Premiums
 - irrevocable life insurance trusts, **12:107**
 - sales to defective grantor trust, **12:297**
- Prepayment, grantor retained annuity trust (GRAT), **12:251**

TAX PLANNING—Cont'd

- Property tax considerations, personal residence trust (PRT), **12:355**
- Psychological impact of gifts on children, **12:145**
- Qualified domestic trusts (QDOT), **12:79-12:82**
- Qualified personal residence trust (QPRT). See Personal residence trust (PRT) and Qualified personal residence trust (QPRT), above
- Qualified terminable interest property trust (QTIP), **12:78**
- Rates, non-U.S. citizens and residents, **12:387, 12:391**
- Real estate
 - leveraging gifts, **12:192, 12:193**
 - residence. See Residence, below
- Real estate taxes, **12:356**
- Reducing value of assets, **12:6**
- Reinvestment of proceeds, personal residence trust (PRT), **12:327**
- Remote descendants, gifts to, **12:156-12:158**
- Residence
 - homestead. See Homestead, above
 - personal residence trust. See Personal residence trust (PRT) and qualified personal residence trust (QPRT), above
- Residuary estate
 - bypass trusts, **12:29, 12:30, 12:35**
 - marital deduction trusts and gifts, **12:59, 12:60**
- Retained interest by grantor, **12:302-12:305**
- Retained life estate release, exception to gifts made within three years of death, **12:137**
- Retirement plan considerations, **12:117**
- Reversionary interest release, exception to gifts made within three years of death, **12:138**
- Revocable transfers
 - exception to gifts made within three years of death, **12:139**

TAX PLANNING—Cont'd

- Revocable transfers—Cont'd
 - irrevocable transfers. See Irrevocable life insurance transfers, above
- Rolling GRATs, use of, **12:283**
- Sales of property
 - defective grantor trust. See Sales to defective grantor trust, below
 - personal residence trust (PRT) and qualified personal residence trust (QPRT), **12:337**
- Sales to defective grantor trust
 - general discussion, **12:291-12:314**
 - addition of beneficiaries, power of trustee as to, **12:296**
 - administrative powers, **12:300**
 - benefits, **12:292**
 - caveats, **12:310-313**
 - completed gift, trust structured as, **12:301**
 - discretionary payment of income to grantor, **12:299**
 - estate tax consequences, **12:308**
 - gift tax consequences, **12:307**
 - income, grantor taxed on, **12:294-12:300**
 - income tax consequences, **12:309**
 - planning considerations, **12:314**
 - premium payment power, **12:297**
 - property not included in grantor's estate, trust structured as, **12:302-12:305**
 - requirements, **12:293-12:314**
 - retained interest by grantor, **12:302-12:305**
 - risk factors, **12:310-313**
 - spouse, payment of income to, **12:298**
 - sprinkling power of trustee, **12:295**
 - tax consequences, **12:306-12:309**
- S corporation stock owned by GRAT, **12:276**
- Section 6166 extension of time to pay estate tax, **12:131-12:133**
- Section 303 stock redemptions, **12:124-12:129**
- Section 2503(c) trusts, annual exclusion from gift tax, **12:150**

TAX PLANNING—Cont'd

- Short taxable years, grantor retained annuity trust (GRAT), **12:256**
- Situs of property subject to tax by non-U.S. citizens and residents, **12:364-12:366**
- Skip and non-skip persons, GST exemption, **12:221**
- Smaller estate, impact on spouse with, **12:184**
- Special use valuation, gifts and lifetime transfers, **12:130**
- Specific bequest of homestead, **12:48-12:51**
- Split gifts
 - general discussion, **12:164-12:184**
 - annual exclusion considerations, generally, **12:164-12:184**
 - doubling of annual exclusion, **12:166**
 - general rules, **12:171**
 - gross estate, gift not included in, **12:172-12:174**
 - other Code Section than 2035, gift under, **12:181-12:183**
 - smaller estate, impact on spouse with, **12:184**
 - terminology, **12:168-12:170**
 - three years prior to death
 - death of donor within three years, **12:178-12:180**
 - gifts made less than, **12:175-12:177**
 - gifts made more than, **12:172-12:174**
- Split interests, lifetime transfers using
 - general discussion, **12:234-12:361**
 - estate tax sections, overview of, **12:239-12:245**
 - gift tax sections, overview of, **12:236-12:238**
 - grantor retained annuity trust. See Grantor retained annuity trust (GRAT), above
 - house grantor retained income trust (GRIT). See Personal residence trust (PRT) and Qualified personal residence trust (QPRT), above

INDEX

TAX PLANNING—Cont'd

Split interests, lifetime transfers using
—Cont'd
overview, **12:234-12:245**
sales. See Sales to defective
grantor trust, above

Spouses

gift and estate taxes, **12:17**
gifts and lifetime transfers, **12:162**
marital deduction. See Marital
deduction trusts and gifts,
above
sales to defective grantor trust,
12:298

Sprinkling power of trustee, **12:295**

Step up in basis at death, gifts and
lifetime transfers, **12:123**

Survival requirement, marital deduc-
tion trusts and gifts, **12:72**

Survivor's control over assets,
maximizing, **12:37-12:41**

Tax-free transfers, **12:1-12:5**

Term of grantor retained annuity trust
(GRAT), **12:261**

Three years of death, gifts made
within
gifts and lifetime transfers, **12:134-
12:140**

split gifts, above

Time requirements

dynasty trusts, above
grantor retained annuity trust
(GRAT), time for payment,
12:250

Trusts and trustees

bypass trusts. See Bypass trusts,
above
charitable lead annuity trusts,
allocation to, **12:233**
charitable remainder trust, **12:116**
Crummey trust, annual exclusion
from gift tax, **12:152**
defective grantor trusts. See Sales
to defective grantor trust,
below
dynasty trusts. See Dynasty trusts,
above
house grantor retained income trust
(GRIT). See Personal resi-

TAX PLANNING—Cont'd

Trusts and trustees—Cont'd

dence trust (PRT) and Quali-
fied personal residence trust
(QPRT), above

life insurance. See Irrevocable life
insurance trusts, above

marital deduction. See Marital
deduction trusts and gifts,
above

pecuniary bypass trusts, **12:28,
12:31-12:33**

personal residence trust. See
Personal residence trust (PRT)
and qualified personal resi-
dence trust (QPRT), above
qualified domestic trusts (QDOT),
12:79-12:82

qualified personal residence trust
(QPRT). See Personal resi-
dence trust (PRT) and Quali-
fied personal residence trust
(QPRT), above

qualified terminable interest prop-
erty trust (QTIP), **12:78**

retained annuity trust. See Grantor
retained annuity trust
(GRAT), above

Tuition payments, **12:4, 12:159**

Undivided interests, **12:51, 12:192**

Unified credit, **12:14**

Uniform transfers to minors, annual
exclusion from gift tax, **12:151**

Unlimited marital deduction, **12:53**

Value

depressed value. See Depressed
value of property, above

discounted value, **12:191-12:198**
reducing value of assets, **12:6**

Withdrawal right, grantor retained
annuity trust (GRAT), **12:249**

TECHNOLOGY

Attorney-client relationship, manag-
ing of, **2:11**

TEMPORARY ADMINISTRATORS

Wills, **4:498**

TENANCY BY ENTIRETY

Community property system, **1:50**

TENTATIVE TAXABLE INCOME

Income taxation of trusts and estates,
7:17

**TEN THOUSAND DOLLAR
ANNUAL EXCLUSION**

Tax planning, 12:2

TEN YEAR AVERAGING

Retirement plans and planning, 8:32

TERMINAL CONDITIONS

Lifetime planning. See index heading
LIFETIME PLANNING

TERMINATION

Attorney-client relationship, 2:76-
2:79

Federal transfer tax system, 6:177,
6:182, 6:207

Income tax. See index heading
INCOME TAXATION OF TRUSTS AND
ESTATES

Trusts. See index heading TRUSTS

TESTAMENTARY CAPACITY

Wills
general discussion, 4:87- 4:98
for detailed treatment see index
heading WILLS

TESTAMENTARY TRUSTS

Dispositive planning
general discussion, 10:68-10:76
for detailed treatment see index
heading DISPOSITIVE PLANNING

TESTATE DISPOSITION

Probate
general discussion, 1:61, 1:62
for detailed treatment see index
heading PROBATE

**TEXAS CONSENT TO MEDICAL
TREATMENT ACT**

General discussion, 9:63, 9:76

**TEXAS DISCIPLINARY RULES OF
PROFESSIONAL CONDUCT**

General discussion, 2:5, 2:7
Information gathering and counseling
of client, 3:2, 3:3

TEXAS TRANSFER TAX SYSTEM

Amount of tax imposed
inheritance tax. See Inheritance
tax, below
Overview, 6:6

THIRD PARTIES

Goals of estate planning, 1:17-1:21
Notice of durable power of attorney
to, 9:45

Trusts. See index heading TRUSTS

**THREE YEARS OF DEATH, GIFTS
WITHIN**

Federal transfer tax. See index head-
ing FEDERAL TRANSFER TAX SYSTEM
Tax planning. See index heading TAX
PLANNING

TICKLER SYSTEMS

Attorney-client relationship, manag-
ing of, 2:86
Information gathering and counseling
of client, 3:58-3:61

TIMBER

Trusts, 5:232

TIME OR DATE

Attorney-client relationship, manag-
ing of, 2:62-2:64
Disclaimers
general discussion, 15:52-15:66
for detailed treatment see index
heading DISCLAIMERS
Federal transfer tax. See index head-
ing FEDERAL TRANSFER TAX SYSTEM
Information gathering and counseling
of client, 3:50
Tax planning. See index heading TAX
PLANNING
Trusts. See index heading TRUSTS
Wills. See index heading WILLS

TITLE TO PROPERTY

Dispositive planning, 10:163

TOLLING OF LIMITATIONS

Will contests, 4:527

TORTS

Trusts, 5:453

INDEX

TOTAL DISCLAIMERS

General discussion, **15:17**

TRACING CHARACTER OF PROPERTY

Dispositive planning, **10:95**

TRANSFERS

See index heading SALE OR TRANSFER
OF PROPERTY

TRANSFER TAXATION

Generally, **6:1-6:13**

Basis considerations, **6:9-6:12**

Carry-over basis on gifts, **6:10**

Federal transfer tax system
generally, **6:14-6:249**

for detailed treatment see index
heading FEDERAL TRANSFER TAX
SYSTEM

Income tax considerations

generally, **6:8-6:13**

basis considerations, **6:9**

carry-over basis on gifts, **6:10**

step-up in basis at death, **6:11**

trusts, income taxation of property
transferred to, **6:13**

Step-up in basis at death, **6:11**

Texas transfer tax system

for detailed treatment see index
heading TEXAS TRANSFER TAX
SYSTEM

Trusts, income taxation of property
transferred to, **6:13**

Unified federal estate and gift tax
system, **6:2-6:5**

TRUSTEE

Trusts

general discussion, **5:330- 5:440**

for detailed treatment see index
heading TRUSTS

TRUSTS

General discussion, **5:1- 5:538**

Acceptance of trust

general discussion, **5:171- 5:176**

exercise of power, **5:174**

refusal of trustee to accept, **5:175**

signature of trustee, **5:173**

TRUSTS—Cont'd

Acceptance of trust—Cont'd

trustee, acceptance by, **5:172-
5:175**

Accounting

general discussion, **5:211- 5:236**

allocations of receipts and
expenditures to income or
principal

general discussion, **5:216- 5:227**

expenditures, generally, **5:225-
5:227**

importance of allocations among
beneficiaries, **5:217**

income versus principal, alloca-
tions of, **5:234- 5:236**

reasonable allocation, **5:221**

receipts, generally, **5:222- 5:224**

terms of trust, **5:218**

Texas Trust Code, **5:219, 5:220**

beneficiary, demand for accounting
by, **5:213**

business operations, **5:230**

contents of, **5:215**

corporate distributions, **5:228**

demand for accounting, **5:212-
5:214**

depletion, property subject to,
5:233

expenditures, generally, **5:225-
5:227**

farming operations, **5:230**

interested person, demand for
accounting by, **5:214**

natural resources, **5:231**

receipts, generally, **5:222- 5:224**

reserves, **5:229- 5:233**

Texas Trust Code, **5:219, 5:220**

timber, **5:232**

“trust account” distinguished,
5:116

trustee's duty of accounting to ben-
eficiaries, **5:371**

Accumulation of income, **5:45, 5:239**

Active versus passive trust, **5:105**

Administration of trust

general discussion, **5:177- 5:271**

accounting. See Accounting, above

TRUSTS—Cont'd

Administration of trust—Cont'd
 court order as protection from liability, **5:181**
 distributions. See Distributions, below
 investments. See Investments, below
 judicial authority, **5:180**
 operative authority, **5:177- 5:181**
 property management. See Property management, below
 terms of trust, **5:178- 5:181**
 Texas Trust Code, **5:179**
 trust accounting. See Accounting, above
 Affiliate defined, **5:80**
 Agents and agency, **5:114, 5:379**
 Age of person, **5:344, 5:503**
 Agreements. See Contracts and agreements, below
 Allocation of monies
 accounting, above
 modification of trust, **5:292**
 Amount of compensation of trustee, **5:404**
 Ancillary trustees, **5:430**
 Annuity trusts, **5:495, 5:498**
 Arbitration or mediation provision, **5:458, 5:459**
 Arrangements with similar appearances, trusts distinguished from, **5:109- 5:120**
 Assets, trustee's familiarity with, **5:335**
 Attorneys
 ethical considerations. See Ethical considerations, below
 joint representation statement, form of, **5:523**
 multiple generations of same family, form of representation statement for, **5:524**
 Bailment distinguished, **5:112**
 Beneficiaries
 general discussion, **5:441- 5:449**
 acceptance. See Acceptance of trust, above
 accounting, demand for, **5:213**

TRUSTS—Cont'd

Beneficiaries—Cont'd
 change. See Modification or change, below in this group
 charitable beneficiaries, **5:137**
 damages, rights of beneficiary, **5:446- 5:448**
 death of, **5:135**
 definitions, **5:66- 5:71**
 distributions, beneficiary's right to income, **5:238**
 incapacitated beneficiaries, **5:132**
 injunctions, rights of beneficiary, **5:445**
 liabilities of, **5:449**
 minor beneficiaries, **5:132**
 modification or change
 circumstances, change of, **5:134**
 trustees, beneficiary's desire as to change of, **5:136**
 premature death of, **5:135**
 real estate transactions, approval of, **5:194**
 refusal to accept trust. See Acceptance of trust, above
 remedies which may be asserted by, **5:443- 5:445**
 rights of beneficiary, generally, **5:442- 5:448**
 settlor as beneficiary, **5:329**
 spendthrift trust, beneficiary/settlor, **5:95, 5:96**
 termination of trust, agreement of beneficiaries, **5:298**
 trustee's liabilities to, generally, **5:432- 5:440**
 what is beneficiary, **5:441**
 Bond of noncorporate trustee, **5:355- 5:357**
 Books and records, trustee's keeping of, **5:373**
 Borrowing and lending power of trustee, **5:383**
 Businesses and business operations, **5:191, 5:230**
 Bypass trusts. See index heading
 BYPASS TRUSTS
 Cash, property management, **5:204**

INDEX

TRUSTS—Cont'd

- CERCLA and related legislation, **5:186, 5:385**
- Change. See Modification or change, below
- Charitable remainder annuity trust, form of, **5:533**
- Charities and charitable trusts
 - general discussion, **5:492- 5:499**
 - amendment of charitable trust, **5:290**
 - annuity trusts, **5:495, 5:498**
 - beneficiaries, **5:137**
 - lead trusts, **5:493- 5:495**
 - pooled income trusts, **5:499**
 - remainder trusts, **5:496- 5:498**
 - unitrusts, **5:494, 5:497**
- Children. See Minors, trusts for, below
- Claims, property management, **5:209**
- Classifications of trusts
 - active versus passive trust, **5:105**
 - constructive trust, **5:101**
 - donative trusts, **5:106**
 - executed versus executory trust, **5:104**
 - express versus implied trusts, **5:100- 5:103**
 - pension and employee's trust, **5:107**
 - private versus charitable, **5:99**
 - real estate investment trusts, **5:108**
 - resulting trust, **5:102, 5:103**
- Closely held businesses. See index heading CLOSELY HELD BUSINESS OR STOCK
- Combination of trusts, **5:293, 5:294**
- Commingling of property by trustee, **5:367, 5:368**
- Common law, **5:37**
- Compensation of trustee, **5:403- 5:405**
- Competence of lawyer, **5:2**
- Completeness of trust, **5:129**
- Completion of services, **5:28- 5:30**
- Complexity of trust, **5:334**
- Compromise of claims, **5:380**
- Confidentiality with client, **5:5**

TRUSTS—Cont'd

- Conflicts of interest
 - ethical considerations, **5:20**
 - multiple clients, **5:10**
 - trustee, **5:337, 5:338**
- Consent of parties to termination of trust, **5:297**
- Consideration for creation of trust, **5:160**
- Construction of employees trust, **5:53**
- Constructive trust, **5:101**
- Contracts and agreements
 - distinguished from trusts, **5:110**
 - ethical considerations, **5:24**
 - third persons dealing with trust, **5:454, 5:455**
- Conveyance by trustee, **5:451**
- Corporate disbursements, **5:276**
- Corporate fiduciaries, **5:350- 5:352, 5:424, 5:425**
- Costs and expenses
 - administration, costs of, **5:313**
 - funeral expenses, payment of, **5:382**
 - minors, trusts for, **5:508**
 - trustee, **5:346, 5:410**
- Cotrustees, **5:13, 5:338, 5:411- 5:413**
- Court definitions, **5:83**
- Court order as protection from liability, **5:181**
- Creation of trust
 - general discussion, **5:149 et seq.**
 - acceptance. See Acceptance of trust, above
 - consideration, **5:160**
 - declaration, **5:151**
 - intention to create, **5:157**
 - inter vivos transfer of property, **5:152**
 - power of appointment, exercise of, **5:154**
 - promise to create trust, **5:155**
 - property of trust, **5:159**
 - statutory methods, generally, **5:150- 5:155**
 - statutory requirements, generally, **5:156- 5:160**

TRUSTS—Cont'd

Creation of trust—Cont'd
 testamentary transfer of property, **5:153**
 validity. See Validity of trust, below
 written evidence, **5:158**
 Creditors, trusts for minors, **5:513-5:518**
 Credit shelter bypass trust, form of, **5:529**
 Crummey powers, **5:485- 5:490**
 form of, **5:532**
 Current beneficiary defined, **5:68**
 Custodianship, trusts for minors, **5:509**
 Damages
 beneficiary, **5:446- 5:448**
 trustee, **5:434, 5:435**
 Death and death benefits, **5:46, 5:47, 5:135**
 Debt distinguished, **5:111**
 Declaration of trust, **5:151**
 Deep pockets of trustee, **5:341**
 Definitions
 affiliate, **5:80**
 beneficiary, **5:66- 5:71**
 court, **5:83**
 current beneficiary, **5:68**
 discretionary beneficiary, **5:71**
 fiduciary relationship, **5:56**
 interest, **5:76**
 interested person, **5:75**
 inter vivos trust, **5:62**
 inventory value, **5:81**
 person, **5:74**
 property, **5:77**
 property management, **5:207**
 relative, **5:82**
 remainder beneficiary, **5:69**
 revocable or irrevocable trust, **5:85**
 settlor and synonyms, **5:64**
 spendthrift trust, **5:90**
 terms of trust or trust terms, **5:78**
 transaction, **5:79**
 trust, **5:61**
 trustee, **5:65**
 Delegation of duties by trustee, **5:372**

TRUSTS—Cont'd

Demand for accounting, **5:212- 5:214**
 Denial of compensation to trustee, **5:405**
 Depletion, property subject to, **5:233**
 Deposits by corporate trustee with self, **5:420**
 Development of trust law, **5:31**
 Diligence of trustee, **5:340**
 Directed trusts, **5:522**
 Direct skip, generation-skipping trust (GST), **5:477**
 Disclaimers
 general discussion, **15:23, 15:38, 15:84**
 acceptance. See Acceptance of trust, above
 Disclosure, ethical considerations, **5:5**
 Discretionary matters
 beneficiary defined, **5:71**
 distributions, **5:243- 5:247**
 spendthrift trust, **5:97**
 termination of trust, discretion of trustee, **5:317**
 Dispositive planning. See index heading DISPOSITIVE PLANNING
 Distributions
 general discussion, **5:237- 5:271**
 accumulation of income, **5:239**
 arbitration or mediation provision, distributions in trustee's discretion, **5:459**
 beneficiary's right to income, **5:238**
 discretionary distributions, **5:243- 5:247**
 education, invasion of principal, **5:261- 5:264**
 emergency needs, **5:258**
 excess of income, **5:246**
 generation-skipping trust (GST), **5:473**
 inability to handle income, **5:245**
 incapacitated beneficiary distribution to, **5:269- 5:271**
 income distributions, generally, **5:238- 5:247**

INDEX

TRUSTS—Cont'd

Distributions—Cont'd

- invasion of principal
 - general discussion, **5:251- 5:264**
 - application by trustee rather than direct payment, **5:255**
 - consideration of other resources, **5:253**
 - distinguished from right of access, **5:252**
 - education, **5:261- 5:264**
 - emergency needs, **5:258**
 - need for invasion provision, **5:256**
 - single versus multiple invasion provisions, **5:254**
 - standard of invasion, **5:257**
 - standard of living, **5:260**
 - support, **5:259**
 - mandatory distributions, **5:240- 5:242**
 - minor beneficiary distribution to, **5:269- 5:271**
 - principal, distributions of, generally, **5:248- 5:264**
 - stages, distributions of principal in, **5:250**
 - standard for distribution, **5:247**
 - standard of living, **5:260**
 - stated ages, distributions of principal at, **5:249**
 - support, **5:259**
 - termination of trust, **5:310**
- Diversification of property, **5:189**
- Divided loyalties, recognition of, **5:6- 5:8**
- Division of trusts, **5:291- 5:294**
- Divorce, effect of, **5:315, 5:516**
- Donative trusts, **5:106**
- Drafting principles
 - general discussion, **5:121- 5:127**
 - precision and accuracy, **5:121**
 - purpose of trust, **5:127**
 - readability, **5:122- 5:126**
 - trustee, **5:393- 5:401**
- Education, invasion of principal, **5:261- 5:264**
- Emergency needs, invasion of principal, **5:258**

TRUSTS—Cont'd

- Empathy of trustee, **5:343**
 - Employees trust. See Governing authority and law, below
 - Environmental matters, **5:186, 5:385, 5:436**
 - Estate trust, **5:465**
 - Ethical considerations
 - general discussion, **5:1- 5:30**
 - agreement, **5:24**
 - changes in law, future advice as to, **5:30**
 - client, generally, **5:3- 5:8**
 - cobeneficiaries as clients, **5:14**
 - competence of lawyer, **5:2**
 - completion of services, **5:28- 5:30**
 - confidentiality with client, **5:5**
 - conflicts of interest, **5:10, 5:20**
 - cotrustees as clients, **5:13**
 - disclosure, **5:5**
 - divided loyalties, recognition of, **5:6- 5:8**
 - fees, **5:25**
 - identification of client, **5:4**
 - identify capacity in which represented, **5:22**
 - multiple clients, **5:9- 5:14**
 - multiple roles, single individual with, **5:15- 5:22**
 - nonclients advised of nonrepresentation, **5:21**
 - parents and children as clients, **5:12**
 - reminders to review planning, **5:29**
 - scope and terms of service, **5:26**
 - settlor/beneficiary, **5:17**
 - settlor/trustee, **5:18**
 - spouses as clients, **5:11**
 - termination of relationship, **5:28- 5:30**
 - Texas Disciplinary Rules of Professional Conduct, **5:1**
 - timely performance of services, **5:27**
 - trustee/beneficiary, **5:19**
- Excessive restrictions, **5:146**
- Exculpatory provision for fiduciaries, **5:456**

TRUSTS—Cont'd

Executed versus executory trust, **5:104**
 Executorship distinguished, **5:115**
 Exemption from taxes and debts, employees trust, **5:50**
 Exercise of power, acceptance of trust by, **5:174**
 Exhaustion of trust assets, **5:137**
 Exoneration of trustee, **5:406- 5:410**
 Expenses. See Costs and expenses, above
 Experience handling money, trusts for minors, **5:510**
 Express versus implied trusts, **5:100- 5:103**
 Family, trustee's familiarity with, **5:336**
 Family limited partnerships, **13:42**
 Farming operations, accounting for, **5:230**
 Feasibility, **5:141- 5:143**
 Federal estate tax, minimization of, **5:481**
 Federal transfer tax system, **6:49**
 Fees, **5:25**
 Fertile octogenarian, rule against perpetuities, **5:170**
 Fiduciary relationship, generally, **5:55- 5:59**
 Financial stability, **5:314**
 Flexibility, **5:144- 5:148**
 Fraudulent purposes, **5:165- 5:167**
 Funding insurance trust, **5:491**
 Funeral expenses, payment of, **5:382**
 Generation-skipping trust (GST)
 general discussion, **5:467- 5:479**
 annual exclusion gifts, **11:68-11:71**
 computation of tax, **5:479**
 direct skip, **5:477**
 distribution, **5:473**
 effective dates, **5:469- 5:471**
 grantor-retained annuity trusts, **11:90**
 objective, **5:468**
 sales to defective grantor trusts, **11:127**
 taxable events, **5:472- 5:477**
 tax considerations, **5:472- 5:479**

TRUSTS—Cont'd

Generation-skipping trust (GST)
 —Cont'd
 terminations, **5:474- 5:476**
 Good faith, trustees duty of, **5:364**
 Governing authority and law
 general discussion, **5:32- 5:54**
 accumulation of income, **5:45**
 charitable remainder trust, **5:54**
 common law, **5:37**
 construction of employees trust, **5:53**
 death benefits, **5:46, 5:47**
 employees trust
 general discussion, **5:43- 5:53**
 accumulation of income, **5:45**
 construction, **5:53**
 death benefits, **5:46, 5:47**
 exemption from taxes and debts, **5:50**
 prior designations, **5:52**
 rule against perpetuities, **5:44**
 unclaimed benefits, **5:49**
 validity of trust declaration, **5:48**
 exemption from taxes and debts, **5:50**
 Medicaid aspects of personal injury cases, **5:41**
 other trust laws, **5:38**
 rule against perpetuities, **5:44**
 Section 142 court created trusts, **5:39**
 Section 1301 management trusts, **5:40**
 special needs trusts, **5:42**
 terms of trust, **5:32**
 Texas Trust Act, **5:36**
 Texas Trust Code, **5:33- 5:35**
 unclaimed benefits, **5:49**
 Grantor. See Settlor, below
 Guardian or guardian ad litem
 avoidance of guardianship, **5:502- 5:508**
 distinguished from trust, **5:117**
 modification of trust, **5:289**
 termination of trust, **5:307**
 Hanging power, life insurance trusts, **5:490**

INDEX

TRUSTS—Cont'd

- History and development of trust law, **5:31**
- Husband and wife. See Spouse, below
- Identification of client, **5:4**
- Impartiality, trustee's duty of, **5:363**
- Implied powers of trustee, **5:384**
- Inability to handle income, **5:245**
- Incapacitated beneficiaries, **5:132, 5:269- 5:271**
- Income
 - allocations of. See Accounting, above
 - distributions of. See Distributions, above
- Income tax. See index heading
INCOME TAXATION OF TRUSTS AND ESTATES
- Incorporation by reference, **5:400**
- Informing beneficiaries, trustee's duty of, **5:370**
- Injunctions, beneficiaries right to, **5:445**
- Insurance
 - life insurance. See Life insurance trusts, below
 - property management, **5:202**
- Integrity of trustee, **5:339**
- Intention to create trust, **5:157**
- Interest defined, **5:76**
- Interested person
 - defined, **5:75**
 - demand for accounting by, **5:214**
- Internal Revenue Code
 - Section 2503(c), **5:519**
- Inter vivos trust, **5:62, 5:152**
 - form of postponement of distribution of, **5:537**
- In terrorem clause, **5:457**
 - form of, **5:528**
- Invasion of principal. See Distributions, above
- Inventory value, **5:81**
- Investigation of prior fiduciaries, **5:377**
- Investments
 - general discussion, **5:182- 5:190**
 - acceptable property, **5:185**

TRUSTS—Cont'd

- Investments—Cont'd
 - additional property contributed to trust, **5:184- 5:186**
 - CERCLA and related legislation, **5:186**
 - diversification of property, **5:189**
 - environmental concerns, **5:186**
 - original property contributed to trust, **5:183**
 - periodic review of, **5:375**
 - retention of contributed property, **5:188**
 - standard of investment, **5:190**
 - trustee, property acquired by, **5:187**
- Uniform Prudent Investor Act, **5:273**
- Irrevocable. See Revocable or irrevocable, below
- Joint representation statement, form of, **5:523**
- Judgments
 - minors, trusts for, **5:515**
 - modification of trust, **5:282- 5:289**
 - termination of trust, **5:300- 5:307**
- Judicial reformation, **5:283**
- Jurisdiction
 - modification of trust, **5:284**
 - termination of trust, **5:302**
- Knowledge. See Notice or knowledge, below
- Lead trusts, **5:493- 5:495**
- Leases, property management, **5:197**
- Legal purposes, validity of trust for, **5:162**
- Liabilities
 - beneficiary, **5:449**
 - third persons dealing with trust, **5:452**
 - trustee. See Trustee, below
- Life insurance trust
 - Crummey powers, form of, **5:532**
 - irrevocable trust, form of, **5:532**
- Life insurance trusts
 - general discussion, **5:480- 5:491**
 - Crummey powers, **5:485- 5:490**
 - failure to exercise Crummey power, **5:487- 5:490**

TRUSTS—Cont'd

Life insurance trusts—Cont'd
 federal estate tax, minimization of, **5:481**
 funding insurance trust, **5:491**
 hanging power, **5:490**
 notice, Crummey powers, **5:486**
 power of appointment, **5:488-5:490**
 premiums, payment of, **5:484**
 third-party ownership, **5:482, 5:483**
 Lifetime planning. See index heading
 LIFETIME PLANNING
 Limitations and restrictions. See Trustees, below
 Litigation considerations of fiduciaries, **5:456- 5:459**
 Loans to trustee as self-dealing, **5:415**
 Location of trustee, **5:344**
 Loyalty, trustee's duty of, **5:362**
 Management. See Property management, below
 Mandatory distributions, **5:240-5:242**
 Mandatory versus discretionary terms, **5:145**
 Marital deduction trust, **5:461- 5:466**
 QDOT trust, form of, **5:531**
 QTIP trust, form of, **5:530**
 Merger of interests, **5:168, 5:299**
 Minerals, property management, **5:201**
 Minors, trusts for
 general discussion, **5:501- 5:521**
 age of receipt, **5:503**
 annual withdrawal rights, **5:520**
 controlling future disposition, **5:511**
 creditors, **5:513- 5:518**
 custodianship, **5:509**
 designation of trustees, **5:504**
 disposition at death, **5:506**
 distributions, **5:269- 5:271**
 divorce, **5:516**
 expense, **5:508**
 experience handling money, **5:510**

TRUSTS—Cont'd

Minors, trusts for—Cont'd
 guardianship, avoidance of, **5:502-5:508**
 inability to handle money, **5:514**
 Internal revenue Code Section 2503(c), **5:519**
 judgments, **5:515**
 payment of all income to trust beneficiary, **5:521**
 plan for reasonably foreseeable contingencies, **5:132**
 potential creditors, **5:518**
 powers of trustees, **5:505**
 preservation of wealth, **5:512**
 privacy, **5:507**
 substance abuse, **5:517**
 withdrawal rights, **5:520**
 Modification of trust
 general discussion, **5:278- 5:294**
 allocation of trust property on division of trusts, **5:292**
 charitable trust, amendment of, **5:290**
 combination of trusts, **5:293, 5:294**
 Decanting, judicial modification alternative, **5:281**
 division of trusts, **5:291- 5:294**
 grounds for judicial modification, **5:282**
 guardian ad litem, **5:289**
 irrevocable trust, **5:280**
 judgment of judicial modification, **5:288**
 judicial modification, **5:282- 5:289**
 jurisdiction for judicial modification, **5:284**
 necessary parties for judicial modification, **5:286**
 notices for judicial modification, **5:287**
 pleadings for judicial modification, **5:288**
 revocable trust, **5:279, 5:325**
 terms of trust, **5:279- 5:289**
 testamentary trusts, combination of, **5:294**
 venue for judicial modification, **5:285**

INDEX

TRUSTS—Cont'd

- Modification or change
 - beneficiaries. See Beneficiaries, above
 - ethical considerations, future advice as to changes in law, **5:30**
 - inevitability of change, **5:148**
 - trust. See Modification of trust, above
- Mortgage of property, **5:195**
- Multiple clients, **5:9- 5:14**
- Multiple generations of same family, form of representation statement for, **5:524**
- Multiple roles, single individual with, **5:15- 5:22**
- Multiple trustees, **5:353, 5:354**
- Natural resources, accounting for, **5:231**
- Necessary parties for judicial modification or termination, **5:286, 5:304**
- Net investment, defined, **5:207**
- Net proceeds, defined, **5:207**
- Notice or knowledge
 - judicial modification or termination, notices for, **5:287, 5:305**
 - life insurance trusts, Crummey powers, **5:486**
- Option distinguished, **5:113**
- Parents and children as clients, **5:12**
- Partnerships
 - contracts of trustee, **5:455**
 - disbursements from partnerships, **5:276**
- Payment of money to trustee, **5:450**
- Pension and employee's trust, **5:107**
- Periodic review of investments by trustee, **5:375**
- Personality of trustee, **5:342**
- Pleadings for judicial termination or modification, **5:288, 5:306**
- Pooled income trusts, **5:499**
- Possession of trust property, trustee's duty to take, **5:365**
- Postponement of distribution, form of, **5:537**
- Potential creditors, **5:518**

TRUSTS—Cont'd

- Power distinguished, **5:119**
- Power of appointment
 - creation of trust by exercise of, **5:154**
 - life insurance trusts, **5:488- 5:490**
 - marital deduction trust, **5:464**
 - termination of trust, **5:318- 5:320**
- Precision and accuracy, drafting principles, **5:121**
- Premature death of beneficiaries, **5:135**
- Premiums, payment of, **5:484**
- Preservation of wealth or property, **5:366, 5:512**
- Principal
 - allocations of. See Accounting, above
 - distributions of. See Distributions, above
 - Uniform Principal and Income Act, **5:274**
- Prior fiduciaries, investigation of, **5:377**
- Privacy, trusts for minors, **5:507**
- Private versus charitable trusts, **5:99**
- Productivity of trust, **5:374**
- Promise to create trust, creation of trust by, **5:155**
- Property management
 - general discussion, **5:191- 5:210**
 - beneficiary approval of real estate transactions, **5:194**
 - business entities, **5:191**
 - cash, **5:204**
 - claims, **5:209**
 - common trust funds, **5:210**
 - court's power with respect to real estate, **5:193**
 - creation of trust, **5:159**
 - definitions, **5:77, 5:207**
 - insurance, **5:202**
 - leases, **5:197**
 - minerals, **5:201**
 - mortgage of property, **5:195**
 - net investment, defined, **5:207**
 - net proceeds, defined, **5:207**
 - options, **5:198**

TRUSTS—Cont'd

Property management—Cont'd
 real estate, generally, **5:192- 5:200**
 repairs, **5:199**
 sale or conveyance of real property, **5:200**
 securities, **5:203**
 tangible personal property, **5:205**
 transfers of real estate, **5:196**
 underproductive property, **5:206, 5:207**
 value, defined, **5:207**
 worthless property, **5:208**
 Protecting debtor beneficiaries, **5:92**
 Provision for completion of cycle from creation through termination, **5:130- 5:140**
 Prudence, trustee's duty of, **5:358, 5:359, 5:361**
 Public policy, **5:164**
 Purpose of trust, drafting principles, **5:127**
 QDOT trust. See index heading QDOT TRUSTS
 QTIP trust. See index heading QTIP TRUSTS
 Readability, drafting principles, **5:122- 5:126**
 Real estate
 issues affecting trusts holding real estate or real estate investments, **5:275**
 management. See Property management, above
 Real estate investment trusts, **5:108, 5:275**
 Reasonable investment strategy of trustee, **5:359**
 Reasonably foreseeable contingencies, plan for, **5:131- 5:140, 5:147**
 Receivership distinguished, **5:118**
 Refusal
 beneficiary's refusal to accept. See Acceptance of trust, above
 trustee's refusal to accept trust, **5:175**
 Reimbursement of trustee, **5:409**
 Relationships, generally, **5:133**

TRUSTS—Cont'd

Relative defined, **5:82**
 Release of liability by beneficiary, **5:439**
 Religion, termination of trust, **5:316**
 Remainder beneficiary, **5:69**
 Remainder trusts, **5:496- 5:498**
 Remedies which may be asserted by beneficiary, **5:443- 5:445**
 Removal of trustee. See Trustee, below in this group
 Repairs, property management, **5:199**
 Reservation of powers by settlor, **5:324**
 Reserves, accounting, **5:229- 5:233**
 Residence, provision for, **5:382**
 Resignation of trustee, **5:421, 5:422**
 Resulting trust, **5:102, 5:103**
 Retention of contributed property, **5:188**
 Retirement plans. See index heading RETIREMENT PLANS AND PLANNING
 Review of investments by trustee, **5:375**
 Revocable or irrevocable
 form of trust, **5:532**
 modification of trust, **5:279**
 settlor's power to revoke trust, **5:325, 5:326**
 termination of trust, **5:296**
 trusts, generally, **5:84- 5:88, 5:280**
 Rule against perpetuities
 employees trust, **5:44**
 termination of trust, **5:308**
 validity of trust, **5:169, 5:170**
 Sale or transfer of property, **5:196, 5:200, 5:416- 5:418**
 Section 142 court created trusts
 governing authority and law, **5:39**
 Section 1301 management trusts,
 governing authority and law, **5:40**
 Section 2503(c) trust, form of, **5:538**
 Section 142 trusts
 general discussion, **5:500**
 application, form of, **5:534**
 decree for, form of, **5:535**

INDEX

TRUSTS—Cont'd

- Section 142 trusts—Cont'd
 - standard 142 trust for healthy minor, form of, **5:536**
- Section 867 trusts, **5:500**
- Securities, **5:203, 5:419**
- Segregation of trust property, trustee's duty as to, **5:367, 5:368**
- Self-dealing by trustee, **5:414- 5:420**
- Separation of legal and equitable title, **5:72**
- Settlor
 - general discussion, **5:321- 5:329**
 - beneficiary, settlor as, **5:329**
 - definitions, **5:64**
 - ethical considerations, **5:17, 5:18**
 - legal capacity, **5:322**
 - modification of revocable trust, **5:325**
 - powers of settlor, **5:323- 5:327**
 - reservation of powers, **5:324**
 - revocable trust, power to modify or revoke, **5:325, 5:326**
- trustee
 - power to alter trustee's responsibilities, **5:327**
 - settlor as, **5:18, 5:328**
 - what is settlor, **5:321, 5:322**
- Signature of trustee, **5:173**
- Size and nature of trust, **5:136, 5:334**
- Small trust provision, form of, **5:525**
- Spendthrift trust
 - general discussion, **5:89- 5:97**
 - beneficiary/settlor, **5:95, 5:96**
 - definition, **5:90**
 - discretionary trust, **5:97**
 - drafting provisions, **5:94**
 - informing settlor, **5:93**
 - policy considerations, **5:91- 5:94**
 - protecting debtor beneficiaries, **5:92**
- Spouse
 - clients, ethical considerations of spouses as, **5:11**
- Stages, distributions of principal in, **5:250**
- Standard of living, **5:260**

TRUSTS—Cont'd

- Stated ages, distributions of principal at, **5:249**
- Statutes and statutory provisions
 - creation of trust. See Creation of trust, above
 - Texas Trust Act, **5:36**
 - Texas Trust Code. See Texas Trust Code, below
 - Texas Uniform Transfers to Minors Act (TUTMA) distinguished, **5:120**
 - trustee, statutory exoneration, **5:407**
 - validity of trust, **5:163**
- Substance abuse, trusts for minors, **5:517**
- Substantive correctness of trust, **5:128**
- Successor trustee, **5:426- 5:429**
 - form of provision for, **5:526**
- Support, invasion of principal for, **5:259**
- Tangible personal property, **5:205**
- Taxes
 - federal estate tax, minimization of, **5:481**
 - generation-skipping trust. See Generation-skipping trust (GST), above
 - grantor-retained annuity trusts, **11:88-11:99**
 - trustee See Trustee, below
- Tax planning. See index heading TAX PLANNING
- Termination of relationship, **5:28- 5:30**
- Termination of trust
 - general discussion, **5:295- 5:320**
 - beneficiaries, agreement of, **5:298**
 - consent of parties, **5:297**
 - costs of administration, **5:313**
 - discretion of trustee, **5:317**
 - distributions on termination, **5:310**
 - divorce, **5:315**
 - effect of, **5:309**
 - financial stability, **5:314**
 - flexibility of provision for termination, **5:312**

TRUSTS—Cont'd

- Termination of trust—Cont'd
 - generation-skipping trust (GST), **5:474- 5:476**
 - grounds for judicial termination, **5:301**
 - guardian ad litem, **5:307**
 - judgment for judicial termination, **5:306**
 - judicial termination, generally, **5:300- 5:307**
 - jurisdiction for judicial termination, **5:302**
 - merger of interests, termination on, **5:299**
 - necessary parties for judicial termination, **5:304**
 - notices for judicial termination, **5:305**
 - pleadings for judicial termination, **5:306**
 - powers of appointment, **5:318- 5:320**
 - provision for termination, **5:311- 5:320**
 - religion, **5:316**
 - revocable trust, terms of, **5:296**
 - rule against perpetuities, **5:308**
 - terms of trust, **5:295, 5:296**
 - trustee, discretion of, **5:317**
 - venue for judicial termination, **5:303**
- Terms of trust
 - general discussion, **5:128- 5:148**
 - definitions, **5:78**
 - governing authority and law, **5:32**
- Testamentary transfer of property, **5:153**
- Testamentary trusts, combination of, **5:294**
- Texas Disciplinary Rules of Professional Conduct, **5:1**
- Texas Trust Act, **5:36**
- Texas Trust Code
 - administration of trust, **5:179**
 - allocations of receipts and expenditures to income or principal, **5:219, 5:220**

TRUSTS—Cont'd

- Texas Trust Code—Cont'd
 - governing authority and law, **5:33- 5:35**
- Texas Uniform Transfers to Minors Act (TUTMA) distinguished, **5:120**
- Third persons dealing with trust
 - general discussion, **5:450- 5:455**
 - contracts of trustee, **5:454, 5:455**
 - conveyance by trustee, **5:451**
 - liability of trust property, **5:452**
 - life insurance trusts, **5:482, 5:483**
 - partnerships, contracts of trustee, **5:455**
 - payment of money to trustee, **5:450**
 - torts, commission of, **5:453**
- Timber, accounting for, **5:232**
- Time or date
 - ethical considerations, timely performance of services, **5:27**
 - generation-skipping trust (GST), effective dates, **5:469- 5:471**
- Torts, commission of, **5:453**
- Transaction defined, **5:79**
- Trust accounting. See Accounting, above
- Trustee
 - general discussion, **5:330- 5:440**
 - acceptance of trust, **5:172- 5:175**
 - accounting to beneficiaries, duty of, **5:371**
 - agents, employment of, **5:379**
 - age of trustee, **5:344**
 - amount of compensation, **5:404**
 - ancillary trustee, **5:430**
 - assets, familiarity with, **5:335**
 - beneficiary, liabilities of trustee to, generally, **5:432- 5:440**
 - bond of noncorporate trustee, **5:355- 5:357**
 - books and records, keeping of, **5:373**
 - borrowing and lending power, **5:383**
 - CERCLA legislation, **5:385**
 - commingling of property, **5:367, 5:368**

INDEX

TRUSTS—Cont'd

Trustee—Cont'd

- compensation, **5:403- 5:405**
- complexity of trust, **5:334**
- compromise of claims, **5:380**
- conflicts of interest, **5:337, 5:338**
- corporate trustee
 - pros and cons, **5:350- 5:352**
 - removal of, **5:424, 5:425**
- costs, award of, **5:410**
- cotrustees, **5:13, 5:338, 5:411- 5:413**
- damages for breach of trust, **5:434, 5:435**
- deep pockets, **5:341**
- definitions, **5:65**
- delegation of duties, **5:372**
- denial of compensation, **5:405**
- deposits by corporate trustee with self, **5:420**
- diligence, **5:340**
- drafting techniques, generally, **5:393- 5:401**
- duties and responsibilities, generally, **5:360- 5:377**
- empathy, **5:343**
- environmental concerns, **5:385, 5:436**
- ethical considerations of trustee/beneficiary, **5:19**
- exoneration, **5:406- 5:410**
- expense, **5:346**
- factors in choosing trustee, **5:333- 5:346**
- failure to make profit, liabilities of trustee, **5:433**
- family, familiarity with, **5:336**
- funeral expenses, payment of, **5:382**
- good faith, duty of, **5:364**
- granting broader powers, **5:387, 5:388**
- impartiality, duty of, **5:363**
- implied powers, **5:384**
- incorporation by reference, **5:400**
- individual trustee, pros and cons, **5:347- 5:349**
- informing beneficiaries, duty of, **5:370**

TRUSTS—Cont'd

Trustee—Cont'd

- integrity, **5:339**
- investigation of prior fiduciaries, **5:377**
- investments, periodic review of, **5:375**
- liabilities of trustee, generally, **5:431- 5:440**
- limitations and restrictions
 - cotrustees, **5:413**
 - liability, **5:437, 5:438, 5:440**
 - statutory powers, **5:390- 5:392**
- loans to trustee as self-dealing, **5:415**
- location of trustee, **5:344**
- loyalty, duty of, **5:362**
- majority power, limitations on liability, **5:440**
- multiple trustees, **5:353, 5:354**
- periodic review of investments, **5:375**
- personality, **5:342**
- possession of trust property, duty to take, **5:365**
- powers of trustee, generally, **5:378- 5:401**
- preservation and protection of trust property, duty as to, **5:366**
- prior fiduciaries, investigation of, **5:377**
- productivity of trust, **5:374**
- prohibited self-dealing, **5:414- 5:420**
- prudence, duty of, **5:358, 5:359, 5:361**
- reasonable investment strategy, **5:359**
- reimbursement, **5:409**
- release of liability by beneficiary, **5:439**
- removal of trustee
 - general discussion, **5:423- 5:425**
 - form of, **5:527**
 - will provisions for removal, **4:210- 4:213**
- residence, provision for, **5:382**
- resignation of trustee, **5:421, 5:422**

TRUSTS—Cont'd

Trustee—Cont'd

- restatement of powers, **5:394-5:396**
- review of investments, **5:375**
- rights of trustee, generally, **5:402-5:410**
- sales involving trustee as self-dealing, **5:416- 5:418**
- securities of trustee, purchase of, **5:419**
- segregation of trust property, duty as to, **5:367, 5:368**
- self-dealing, **5:414- 5:420**
- settlor. See Settlor, above
- size of trust, **5:334**
- specific assets, **5:389**
- statutory exoneration, **5:407**
- successor. See Successor trustee, above in this group
- taxes
 - factors considered in choosing trustee, **5:345**
 - implications from removal of corporate fiduciary, **5:425**
 - limitations on statutory powers, **5:392**
 - payment of, **5:381**
- termination of trust, **5:317**
- terms of trust, duty to carry out, **5:369**
- third persons. See Third persons dealing with trust, above
- uphold and defend terms of trust, **5:376**
- waiver of bond of noncorporate trustee, **5:357**
- what is trustee, **5:330**
- who can be trustee, **5:331**
- who should be trustee, **5:332-5:357**
- wills
 - general discussion, **4:187- 4:222**
 - for detailed treatment see index heading WILLS
 - winding up affairs, **5:386**
- Trustor. See Settlor, above
- Unclaimed benefits, employees trust, **5:49**

TRUSTS—Cont'd

- Underproductive property, **5:206, 5:207**
- Uniform Principal and Income Act, **5:274**
- Uniform Prudent Investor Act, **5:273**
- Unitrusts, **5:494, 5:497**
- Validity of trust
 - general discussion, **5:161- 5:170**
 - fertile octogenarian, rule against perpetuities, **5:170**
 - fraudulent purposes, **5:165- 5:167**
 - legal purposes, **5:162**
 - merger of legal and equitable interests, **5:168**
 - public policy, **5:164**
 - rule against perpetuities, **5:169, 5:170**
 - statute, contrary to, **5:163**
- Value, defined, **5:207**
- Venue for judicial modification or termination, **5:285, 5:303**
- Waiver of bond of noncorporate trustee, **5:357**
- Winding up affairs by trustee, **5:386**
- Withdrawal rights, trusts for minors, **5:520**
- Worthless property, **5:208**
- Writing requirements
 - creation of trust, written evidence, **5:158**

TUITION

- Federal transfer tax system. See index heading FEDERAL TRANSFER TAX SYSTEM
- Tax planning, **12:4, 12:159**

TUTMA PROVISION

- Dispositive planning, **10:65**

TWO PERCENT FLOOR

- Income taxation of trusts and estates, **7:11**

TWO TIER SYSTEM

- Income taxation of trusts and estates, **7:48-7:50**

TYPEWRITTEN SIGNATURE

- Wills, **4:55**

INDEX

UNCLAIMED BENEFITS

Employees trust, **5:49**

UNCONSCIONABLE

ATTORNEYS' FEES

General discussion, **2:66**

UNDERPRODUCTIVE PROPERTY

Trusts, **5:206, 5:207**

UNDIVIDED INTERESTS

Tax planning, **12:51, 12:192**

UNDUE INFLUENCE

Wills. See index heading **WILLS**

UNIFICATION OF TAX TREATMENT

Income taxation of trusts and estates,
7:41

UNIFIED CREDIT

Disclaimers, **15:32-15:34**

Federal transfer tax. See index heading
FEDERAL TRANSFER TAX SYSTEM

Tax planning, **12:14**

UNIFIED FEDERAL ESTATE AND GIFT TAX SYSTEM

Generally, **6:2-6:5**

UNIFORM PRINCIPAL AND INCOME ACT

General discussion, **5:274**

UNIFORM PRUDENT INVESTOR ACT

General discussion, **5:273**

UNIFORM SINGLE-PARTY OR MULTIPLE-PARTY ACCOUNT

Generally, **3:69**

UNIFORM TRANSFERS TO MINORS

Annual exclusion from gift tax,
12:151

UNITRUSTS

General discussion, **5:494, 5:497**

UNLIMITED MARITAL DEDUCTION

Tax planning, **12:53**

UNMARRIED COUPLES

Dispositive planning, **10:156**

VALIDITY

Trusts

general discussion, **5:161- 5:170**

for detailed treatment see index

heading **TRUSTS**

VALUE AND VALUATION

Definition of value, **5:207**

Estate planning, generally, **1:52**

Family limited partnerships. See
index heading **FAMILY LIMITED
PARTNERSHIPS**

Federal transfer tax system

generally, **6:228-6:249**

for detailed treatment see index

heading **FEDERAL TRANSFER TAX
SYSTEM**

Information gathering and counseling
of client, **3:20**

Tax planning. See index heading **TAX
PLANNING**

VENUE

Trusts, **5:285, 5:303**

VERIFICATION

Information gathering and counseling
of client, **3:12**

VESTED INTEREST

Dispositive planning, **10:104**

VOID WILL

Revocation of, **4:444**

WAIVER AND ESTOPPEL

Federal transfer tax system, **6:203**

Retirement plans. See index heading
RETIREMENT PLANS AND PLANNING

Trusts, **5:357**

Wills. See index heading **WILLS**

WASTAGE OF DEDUCTIONS

Income taxation of trusts and estates,
7:46

WEALTH

Information gathering and counseling
of client, **3:40**

WILLS

General discussion, **4:1- 4:543**
 Abatement, generally, **4:418- 4:421**
 Acceptance of benefits, estoppel from, **4:529**
 Addiction as ground for contest, **4:513**
 Ademption, **4:422- 4:427**
 Administrative provisions
 general discussion, **4:317- 4:338**
 death taxes, **4:325**
 debts and expenses, payment of, **4:322- 4:326**
 management powers, **4:318- 4:321**
 modification by terms of instrument, **4:326**
 purpose, **4:317- 4:321**
 self-dealing, **4:321**
 taxes. See Death taxes, below
 Adopted children, **4:123, 4:390- 4:393**
 Advancements, **4:412- 4:417**
 After-born or pretermitted children
 general discussion, **4:384- 4:394**
 adopted children, **4:390- 4:393**
 definitions of terms used in wills, **4:120, 4:121, 4:122**
 illegitimate children, **4:393**
 non-probate provisions for after-born child, effect of, **4:389**
 no provision for child in will, **4:385- 4:387**
 one or more children, provision for, **4:388**
 posthumous children, **4:394**
 Age requirements
 execution requirements, **4:31**
 testamentary capacity, **4:88**
 Alcoholism as ground for contest, **4:513**
 Allowance in lieu of property, **4:357**
 Alteration. See Modification or change, below
 Alternate or successor executors, **4:155- 4:158**
 Alternate or successor trustees, **4:201- 4:204**
 Ambiguous words, **4:372- 4:374**

WILLS—Cont'd

Anatomical gifts, **4:310**
 Ancillary trustees, **4:199**
 Animals, **4:237**
 Antenuptial agreements, conditional wills pursuant to, **4:352**
 Anti-lapse rule, **4:128, 4:129, 4:406**
 Appeal of will contests, **4:530- 4:534**
 Applicable law, **4:364**
 Appreciation or depreciation, pecuniary formula clause, **4:293**
 Assignees, standing to bring will contest, **4:491**
 Attachment of affidavit of testator to self-proved will, **4:29**
 Attestation
 general discussion, **4:45- 4:73**
 attestation clause, generally, **4:64, 4:132- 4:134**
 beneficiary as subscribing witness, **4:60**
 conscious presence, **4:69**
 credibility of subscribing witnesses, **4:59, 4:62**
 direction of testator, signed at, **4:53**
 executor as subscribing witness, **4:61**
 form of self-proving affidavit, **4:72**
 interlineations, **4:49**
 location of witness' signatures, **4:63**
 mark of testator, **4:52**
 number of witnesses, **4:58**
 order of signing, **4:66- 4:69**
 overview, **4:17**
 publication, **4:65**
 rubber stamp, signature by, **4:54**
 sample attestation clause, **4:133**
 self-proving affidavit, **4:56, 4:70- 4:73**
 signature, **4:50- 4:56, 4:71**
 statutory requirements generally, **4:45- 4:65**
 typewritten signature, **4:55**
 witness requirement, generally, **4:57- 4:64**
 writing requirement, **4:47- 4:49**

INDEX

WILLS—Cont'd

Attorney

- bequests to, **4:5, 4:8, 4:407- 4:411**
- ethical considerations, below, **4:8**
- safekeeping of will, **4:482**
- trustee of testamentary trust, attorney as, **4:192**

Basic will provisions, generally, **4:99- 4:228**

Beneficiary

- death of. See Beneficiary, death of, below
- identification. See Identification of beneficiary, below
- removal of trustee by, **4:211**
- subscribing witness, beneficiary as, **4:60**
- trustee. See Trustees, below

Beneficiary, death of

- general discussion, **4:395- 4:406**
- anti-lapse statutes, **4:405, 4:406**
- class gifts, **4:399**
- descendant of testator's parent, **4:397, 4:398**
- execution of will
 - death following, **4:400- 4:404**
 - death prior to, **4:396- 4:399**
- terms of will, survival period under, **4:404**

Bequests, devises, and legacies

- general discussion, **4:257- 4:286**
- cash dividends, **4:271**
- categories of, **4:259**
- definitions, pecuniary legacies, **4:274, 4:275**
- demonstrative bequests, **4:281**
- dividends, **4:271**
- ejusdem generis, rule of, **4:260**
- insurance and debts on real property, **4:267**
- interest on pecuniary legacies, **4:278**
- meaning of, **4:258**
- pecuniary legacies, generally, **4:273- 4:278**
- personal property located on real property, **4:268**
- real property, specific devise of, **4:263- 4:268**

WILLS—Cont'd

Bequests, devises, and legacies

—Cont'd

- residence, specific devise of, **4:266**
- residuary estate, **4:280, 4:282- 4:286**
- sales of securities prior to death, **4:272**
- securities, specific devise of, **4:269- 4:272**
- specific bequests or devises, generally, **4:261- 4:280**
- tax effect, **4:279, 4:286**
- Texas Estates Code, **4:270**
- unsevered mineral estate, **4:265**

Bond or undertaking

- executor, **4:165- 4:168**
- guardian of minor children, **4:228**
- trustee, **4:205- 4:209**

Burden of proof. See Presumptions and burden of proof, below

Cash dividends, **4:271**

Challenges to validity of wills. See Contests, above

Change. See Modification or change, below

Charitable beneficiaries, **4:231**

Children

- after-born children. See After-born or pretermitted children, above
- beneficiary, identification of, **4:233**
- contests, statutes of limitations, **4:505**
- definitions of terms used in wills, below
- guardian. See Guardian of minor children, below
- illegitimate children, **4:119, 4:393**
- names, identification of children, **4:111**

Class and class gifts, **4:238- 4:243, 4:399**

Codicils, **4:14, 4:449, 4:458**

Coexecutors, **4:154**

Common law definition of will, **4:12**

Common usage, construction and interpretation, **4:378**

WILLS—Cont'd

Compensation
 executor, **4:169- 4:173**
 trustee, **4:214**
 Competency, ethical considerations, **4:2**
 Conditional bequest, **4:251- 4:253**
 Conditional wills, **4:351, 4:352, 4:438**
 Conflict of interest, **4:3- 4:6, 4:151**
 Conscious presence at attestation, **4:69**
 Consequences of construction, **4:368**
 Construction and interpretation
 general discussion, **4:363- 4:380**
 aids to construction, **4:375- 4:377**
 ambiguous words, **4:372- 4:374**
 applicable law, **4:364**
 common usage, **4:378**
 consequences of construction, **4:368**
 court construction, **4:379**
 declaratory judgment, **4:380**
 extrinsic evidence, **4:377**
 first taker favored in law, **4:369**
 intent of testator, **4:370**
 language of instrument, adherence to, **4:367**
 mandatory versus precatory words, **4:371**
 presumptions, **4:376**
 rules and canons of construction, **4:365- 4:374**
 testamentary intent, **4:366**
 Contests
 general discussion, **4:484- 4:534**
 acceptance of benefits, estoppel from, **4:529**
 addiction as ground for contest, **4:513**
 alcoholism as ground for contest, **4:513**
 appeal, **4:530- 4:534**
 assignees, standing to bring contest, **4:491**
 creditors, standing to bring contest, **4:489**
 defenses to limitations, **4:527**

WILLS—Cont'd

Contests—Cont'd
 defenses to will contest, generally, **4:523- 4:529**
 determination of contest, effect of, **4:534**
 disability, removal of, **4:526**
 drug use as ground for contest, **4:513**
 due execution lack as ground for contest, **4:516**
 estoppel, defense of, **4:528, 4:529**
 evidence of undue influence as ground for contest, **4:518- 4:520**
 execution lack as ground for contest, **4:516**
 executors as parties, **4:488- 4:492, 4:496**
 filing requirements, **4:500**
 fraud, **4:504, 4:521, 4:525**
 grantee of deed, standing to bring contest, **4:492**
 grounds for contest, generally, **4:506- 4:522**
 heirs, standing to bring contest, **4:487**
 insane delusion as ground for contest, **4:515**
 interested persons, **4:486, 4:487**
 joint wills beneficiaries as necessary parties to will contest, **4:499**
 lack of testamentary capacity as ground for contest, **4:510- 4:516**
 legatees, standing to bring contest, **4:487**
 limitation of actions, defense of, **4:501- 4:505, 4:524- 4:527**
 minors, statutes of limitations, **4:505**
 mistake as ground for contest, **4:522**
 necessary parties to will contest, **4:494- 4:499**
 pecuniary interest parties as necessary parties to will contest, **4:495**

INDEX

WILLS—Cont'd

Contests—Cont'd

- personal representative, effect of appeal on appointment of, **4:532**
- presumption of validity of will, **4:533**
- prior adjudication of incapacity as ground for contest, **4:516**
- relatives, standing to bring contest, **4:487**
- revocation as ground for contest, **4:507- 4:509**
- standing to appeal, **4:531**
- standing to bring contest, generally, **4:485- 4:493**
- statute of limitations, **4:501- 4:505, 4:524- 4:527**
- temporary administrators as necessary parties to will contest, **4:498**
- tolling of limitations, **4:527**
- trustees as necessary parties to will contest, **4:497**
- undue influence as ground for contest, **4:517- 4:520**
- what constitutes will contest, **4:484**
- Contingency fees of executor, **4:179**
- Contingent trust trustees as beneficiaries, **4:234**
- Continuation of former administration by alternate or successor executors, **4:157**
- Contracts and agreements
 - ademption of property under contract, **4:427**
 - antenuptial agreements, conditional wills pursuant to, **4:352**
 - testamentary capacity, contractual capacity compared, **4:95**
 - testamentary disposition, contract to make, **4:436, 4:437**
 - wills, contractual agreements affecting, generally, **4:19- 4:26**
- Convicted felon as executor, **4:147**
- Corporations
 - executor, **4:143, 4:149**

WILLS—Cont'd

- Corporations—Cont'd
 - identification of beneficiary, **4:235**
- County clerk. See Safekeeping of will, below
- Court construction of will, **4:379**
- Credibility of subscribing witnesses, **4:59, 4:62**
- Creditors, standing to bring will contest, **4:489**
- Credit shelter bypass trust and QTIP residuary trust, form of will with, **4:541**
- Cy-pres doctrine, **4:361**
- Date. See Time or date, below
- Death taxes
 - general discussion, **4:327- 4:338**
 - administrative provisions, **4:325**
 - apportionment of, **4:327- 4:338**
 - exception to bequests to spouses and children, **4:337**
 - IRC Section 2206, **4:330**
 - IRC Section 2207, **4:331**
 - IRC Section 2603(b), **4:333**
 - IRC Section 2207A, **4:332**
 - mortgage of probate assets to pay for, **4:338**
 - pro rata share, **4:336**
 - statute, apportionment pursuant to, **4:335- 4:337**
 - Texas Estates Code Section 322A, **4:329**
- Debts and expenses, payment of, **4:322- 4:326**
- Declaration
 - exordium clause, **4:105**
 - revocation, right of, **4:448- 4:450**
- Declaratory judgment, construction and interpretation, **4:380**
- Default rule, marital deduction formula, **4:305**
- Defenses
 - contests, defenses to, **4:523- 4:529**
 - executor, defense of will by, **4:176**
- Definitions
 - adopted issue, **4:123**
 - after-born issue, **4:120, 4:121, 4:122**
 - anti-lapse rule, **4:128, 4:129**

WILLS—Cont'd

Definitions—Cont'd

children. See Issue and children,
below in this group
“contents,” **4:44**
destruction, **4:454**
heirs, **4:131**
household effects, **4:130**
illegitimate issue, **4:119**
issue and children
 general discussion, **4:114- 4:123**
 adopted issue, **4:123**
 after-born issue, **4:120, 4:121,**
 4:122
 all children, inclusion of, **4:117**
 degree, **4:116**
 illegitimate issue, **4:119**
 limitations, **4:118**
 scope of “children,” **4:115**
lapse, effect of, **4:127**
pecuniary legacies, **4:274, 4:275**
personal and household effects,
 4:130
prior death of beneficiary, **4:126-**
 4:129
sound mind, **4:90**
survival period, **4:124, 4:125**
terms used in wills, generally,
 4:113- 4:131
will, generally, **4:11- 4:14**
Delegation of powers by executor,
 4:183
Delivery of will for safekeeping,
 4:480, 4:481
Demonstrative bequests, **4:281**
Dependent relative revocation, **4:470**
Dependent representative, powers of,
 4:180, 4:181, 4:182
Descendant of testator’s parent, death
 of beneficiary, **4:397, 4:398**
Destruction. See Lost or destroyed
 wills, below
Determination of contest, effect of,
 4:534
Devises. See Bequests, devises, and
 legacies, above
Direction of testator, signed at, **4:53**
Disability, removal of, **4:526**
Disclaimer will, form of, **4:539**

WILLS—Cont'd

Disposition of remains, form of
 appointment of agent to control,
 4:538
Dispositive planning
 general discussion, **10:56-10:67**
 for detailed treatment see index
 heading DISPOSITIVE PLANNING
Dispositive provisions
 general discussion, **4:229- 4:316**
 anatomical gifts, **4:310**
 bequests. See Bequests, devises,
 and legacies, above
 conditional bequest, **4:251**
 devises. See Bequests, devises, and
 legacies, above
 fee simple, **4:245- 4:247**
 forfeiture clauses, **4:311- 4:316**
 generation-skipping transfer tax
 considerations, **4:250**
 identification of beneficiary. See
 Identification of beneficiary,
 below
 legacies. See Bequests, devises,
 and legacies, above
 life estates, **4:254**
 marital deduction formula. See
 Marital deduction formula,
 selection of, below
 presumption of fee simple, **4:246**
 public policy on forfeiture clauses,
 4:313
 QTIP trusts, **4:249**
 remainder interests, **4:255**
 restraints on alienation, **4:256**
 Shelley’s Case, abolition of rule in,
 4:247
 trusts, generally, **4:248- 4:250**
 types of interests which may be
 gifted, **4:244- 4:255**
Distribution date, pecuniary formula
 clause, **4:290- 4:295**
Dividends, **4:271**
Divorce, effect of, **4:381- 4:383**
Domicile of testator, identity of,
 4:103
Drafting attorney. See Attorney,
 above
Drug use as ground for contest, **4:513**

INDEX

WILLS—Cont'd

- Due execution lack as ground for contest, **4:516**
- Duplicate wills, **4:471, 4:472**
- Ejusdem generis, rule of, **4:260**
- Election by widow, **4:353, 4:354**
- Estoppel. See Waiver and estoppel, below
- Ethical considerations
 - general discussion, **4:1- 4:10**
 - for detailed treatment see index heading WILLS
 - bequests to attorney, **4:8**
 - competency, **4:2**
 - conflicts of interest, **4:3- 4:6**
 - joint representation, conflicts of interest, **4:4**
 - privity, **4:10**
 - source of payment, conflict of interest, **4:6**
 - statutory considerations, **4:7- 4:9**
 - Texas Rules of Professional Conduct, **4:1- 4:6**
 - witnesses, bequests to, **4:9**
- Evidence
 - extrinsic evidence. See Extrinsic evidence, below
 - presumptions. See Presumptions and burden of proof, below
 - undue influence, evidence of, **4:518- 4:520**
- Excess compensation, requests by executor for, **4:173**
- Exclusive nature of statutory provisions for revocation, **4:430, 4:431**
- Execution requirements
 - general discussion, **4:45- 4:98**
 - age requirements, **4:31**
 - attestation. See Attestation, above
 - beneficiary. See Beneficiary, death of, above
 - contest of will, lack of execution as ground for, **4:516**
 - extrinsic evidence to show intent of testator, **4:86**
 - future intent of testator, **4:85**
 - holographic will. See Holographic will, below

WILLS—Cont'd

- Execution requirements—Cont'd
 - incarcerated persons, **4:36**
 - intent of testator, **4:83- 4:86**
 - mental condition, **4:32**
 - nuncupative. See Nuncupative or oral will, below
 - oral will. See Nuncupative or oral will, below
 - presumption of proper execution of self-proved wills, **4:28**
 - testamentary capacity. See Testamentary capacity, below
 - undue influence, **4:33- 4:35**
 - who may execute will, **4:30- 4:36**
- Executor
 - general discussion, **4:137- 4:186**
 - alternate or successor executors, **4:155- 4:158**
 - applicable law, **4:138- 4:140**
 - authorized powers in will, **4:177- 4:179**
 - bond or undertaking, **4:165- 4:168**
 - coexecutors, **4:154**
 - compensation, **4:169- 4:173**
 - conflict of interest, waiver of, **4:151**
 - contest of will, **4:488- 4:492, 4:496**
 - contingency fees, **4:179**
 - continuation of former administration by alternate or successor executors, **4:157**
 - convicted felons, **4:147**
 - corporations, **4:143, 4:149**
 - defense of will by, **4:176**
 - delegation of powers, **4:183**
 - dependent representative, powers of, **4:180, 4:181, 4:182**
 - disclaimers, **15:83**
 - dispositive planning, **10:67**
 - excess compensation, requests for, **4:173**
 - failure to exercise care, **4:140**
 - felons, **4:147**
 - incapacitated persons, **4:146**
 - independent versus dependent administration, generally, **4:159- 4:164**

WILLS—Cont'd

Executor—Cont'd

- necessary parties to will contest, **4:496**
 - nonresidents, **4:148**
 - number of persons who can serve, **4:152- 4:154**
 - persons entitled to appointment, **4:141- 4:144**
 - possession of estate property, **4:175**
 - powers of executor, generally, **4:174- 4:186**
 - presumption regarding independent versus dependent administration, **4:163**
 - qualification requirement, **4:145- 4:151**
 - real property, sales of, **4:178**
 - sales of real property, **4:178**
 - self-dealing, restrictions on, **4:184- 4:186**
 - sole executor, **4:153**
 - standard of care, **4:139**
 - standing to bring contest of will proceeding, **4:488- 4:492**
 - statutory compensation, **4:172**
 - subscribing witness, executor as, **4:61**
 - waiver
 - bond or undertaking, **4:166, 4:167**
 - conflict of interest, **4:151**
 - will, compensation set by, **4:170**
- Exemption right, **4:355- 4:357**
- Exordium clause
- general discussion, **4:101- 4:107**
 - declaration, **4:105**
 - domicile of testator, identity of, **4:103**
 - property to be disposed, identity of, **4:104**
 - publication, **4:105**
 - revocation of prior wills, **4:106**
 - sample language, **4:107**
 - testator, identity of, **4:102**
- Extinction, ademption by, **4:424**

WILLS—Cont'd

Extrinsic evidence

- construction and interpretation, **4:377**
 - incorporation by reference, extrinsic document requirement, **4:344- 4:347**
 - intent of testator, **4:86**
- Fair market value, marital deduction formula, **4:307, 4:308**
- Family and relatives
- attorney and testator, relationship between, **4:410, 4:411**
 - family allowance, **4:358**
 - identification of family, **4:109- 4:112**
 - standing to bring will contest, **4:487**
- Fees for safekeeping of will, **4:478**
- Fee simple, dispositive provisions, **4:245- 4:247**
- Felon, executor as, **4:147**
- Fiduciary appointments
- general discussion, **4:136- 4:228**
 - divorce, effect of, **4:382**
 - executor. See Executor, above
 - guardian. See Guardian for minor children, below
 - trustee. See Trustee, below
- Filing requirements for will contests, **4:500**
- First taker favored in law, **4:369**
- Forfeiture clauses, **4:311- 4:316**
- Fractional share formula, marital deduction formula, **4:288**
- Fraud, **4:504, 4:521, 4:525**
- Funeral clause, **4:108**
- Future intent of testator, **4:85**
- Generation-skipping transfer tax considerations, **4:250**
- Grantee of deed, standing to bring will contest, **4:492**
- Guardian of minor children
- general discussion, **4:223- 4:228**
 - bond or undertaking, **4:228**
 - effect of designation, **4:227**
 - last surviving parent, appointment by, **4:225**

INDEX

WILLS—Cont'd

Guardian of minor children—Cont'd
surviving parent as natural guardian, **4:224**

who can serve, **4:226**

Heirs

definitions of terms used in wills, **4:131**

standing to bring will contest, **4:487**

Holographic wills

general discussion, **4:74- 4:82**
date, **4:79**

initials versus signature, **4:77**

interlineations, **4:81**

location of signature, **4:78**

overview, **4:18**

self-proving affidavit, form, **4:537**

self-proving affidavit, form of, **4:82**

signature of testator, **4:76- 4:78**

statutory requirements, **4:75- 4:81**
witnesses, **4:80**

Homestead, **4:41, 4:355- 4:357**

Hospitalized testator, testamentary capacity, **4:98**

Household effects, definitions of terms used in wills, **4:130**

Identification of beneficiary

general discussion, **4:229- 4:243**

animals, **4:237**

charitable beneficiaries, **4:231**

children's trustees as beneficiaries, **4:233**

class, beneficiaries defined as, **4:238- 4:243**

contingent trust trustees as beneficiaries, **4:234**

corporate entities, **4:235**

individual beneficiaries, **4:230**

per stirpes versus per capita, **4:240- 4:243**

presumption regarding per stirpes versus per capita, **4:243**

state agencies, **4:236**

trustees as beneficiaries, **4:232- 4:234**

WILLS—Cont'd

Identification of document, incorporation by reference, **4:342**

Identification of family, **4:109- 4:112**

Illegitimate children, **4:119, 4:393**

Implied revocation, **4:450- 4:453**

Incapacitated persons as executors, **4:146**

Incarcerated persons, execution requirements, **4:36**

Income taxation of trusts and estates, **7:91, 7:98**

Incorporation by reference

general discussion, **4:339- 4:348**

burden of proof, **4:348**

extrinsic document requirement, **4:344- 4:347**

identification of document, **4:342**

intent to incorporate, **4:343**

will requirements, **4:341- 4:343**

Independent significance, facts of, **4:350**

Independent versus dependent administration, generally, **4:159- 4:164**

Index of deposited wills, **4:476**

Initials versus signature, holographic wills, **4:77**

Insane delusion as ground for contest, **4:514**

Insane delusions, **4:94, 4:515**

Insurance and debts on real property, **4:267**

Integration, **4:349**

Intent

advancement, evidence of intent of, **4:415- 4:417**

construction and interpretation of intent of testator, **4:370**

execution requirements, intent of testator, **4:83- 4:86**

incorporation by reference, **4:343**

Interest on pecuniary legacies, **4:278**

Interests that may pass under will, **4:37- 4:44**

Interlineations, **4:49, 4:81**

Interpretation. Construction and interpretation, above

WILLS—Cont'd

Introductory provisions, generally, **4:100- 4:112**

IRD problem, Revenue Ruling 64-19 funding, **4:304**

Issue. See Children, above

Joint representation, conflicts of interest, **4:4**

Joint wills, **4:437, 4:499**

Lack of testamentary capacity as ground for will contest, **4:510- 4:516**

Language of instrument, adherence to, **4:367**

Lapse, effect of, **4:127**

Lead bequest, selecting of, **4:306- 4:308**

Legacies. See Bequests, devises, and legacies, above

Legatees, standing to bring contest, **4:487**

Life estates, **4:254**

Life insurance, interests that may pass under will, **4:40**

Limitations imposed on powers of trustees, **4:218**

Limitations of time
contests, **4:501- 4:505, 4:524- 4:527**

Location of signature
attestation, **4:63**
holographic wills, **4:78**

Lost or destroyed wills
general discussion, **4:456**
definition of destruction, **4:454**
proof of revocation by, **4:453**

Lucid intervals, testamentary capacity affected by, **4:91**

Management powers, administrative provisions, **4:318- 4:321**

Mandatory versus precatory words, **4:371**

Marital deduction formula, selection of
general discussion, **4:287- 4:309**
appreciation or depreciation, pecuniary formula clause, **4:293**

WILLS—Cont'd

Marital deduction formula, selection of—Cont'd
conflicts among beneficiaries, pecuniary minimum worth marital gift, **4:300**
default rule, **4:305**
distribution date, pecuniary formula clause, **4:290- 4:295**
fairly representative funding, **4:301- 4:304**
fair market value, **4:307, 4:308**
flexibility factors, **4:292, 4:297**
fractional share formula, **4:288**
gain on funding, **4:294, 4:298**
income in respect of decedent problems, pecuniary formula clause, **4:295**

IRD problem, Revenue Ruling 64-19 funding, **4:304**

lead bequest, selecting of, **4:306- 4:308**

over-funding possibility, pecuniary minimum worth marital gift, **4:299**

pecuniary formula clause, generally, **4:289- 4:305**

pecuniary minimum worth marital gift, **4:296- 4:300**

revaluation, Revenue Ruling 64-19 funding, **4:303**

Revenue Ruling 64-19 funding, **4:301- 4:304**
selecting form of bequest, **4:309**

Mark of testator, attestation, **4:52**

Mental condition
execution requirements, **4:32**
testamentary capacity, **4:97**

Minors. See Children, above

Mistake
contest, mistake as ground for, **4:522**
destruction of will, mistaken belief as to, **4:456**

Modification or change
revocation for alteration, **4:455**
terms of instrument, modification by, **4:326**

INDEX

WILLS—Cont'd

- Mortgage of probate assets to pay for death taxes, **4:338**
- Multiple revoking documents, **4:435**
- Names
 - children, identification of, **4:111**
 - spouse, identification of, **4:110**
- Necessary parties to will contest, **4:494- 4:499**
- Nonresidents as executors, **4:148**
- Number and numbering
 - attestation, number of witnesses to, **4:58**
 - executor, number of persons who can serve as, **4:152- 4:154**
 - trustee, number of persons who can serve as, **4:194- 4:198**
- Obliteration, revocation of will, **4:455**
- Oral will. See Nuncupative or oral will, above
- Order of signing, attestation, **4:66- 4:69**
- Outright marital and residuary credit shelter bypass trust, form of will with, **4:543**
- Pecuniary formula clause. See Marital deduction formula, selection of, above
- Pecuniary interest parties as necessary parties to will contest, **4:495**
- Pecuniary legacies, generally, **4:273- 4:278**
- Perpetual charitable public trust, **4:362**
- Personal and household effects, **4:130**
- Personal property, legacy of, **4:43**
- Personal property located on real property, **4:268**
- Per stirpes versus per capita, **4:240- 4:243**
- Physical act, revocation by, **4:446, 4:447**
- Possession of estate property by executor, **4:175**
- Posthumous children. See After-born or pretermitted children, above

WILLS—Cont'd

- Presumptions and burden of proof
 - ademption, presumption against, **4:426**
 - construction and interpretation, **4:376**
 - fee simple, **4:246**
 - incorporation by reference, **4:348**
 - independent versus dependent
 - administration, presumption regarding, **4:163**
 - per stirpes versus per capita, presumption regarding, **4:243**
 - revocation, presumption of, **4:434, 4:459- 4:466**
 - self-proved wills, presumption of proper execution of, **4:28**
 - validity of will, presumption of, **4:533**
- Pretermitted children. See After-born or pretermitted children, above
- Prior adjudication of incapacity, effect of, **4:92, 4:516**
- Prior death of beneficiary, **4:126- 4:129**
- Privity, ethical considerations, **4:10**
- Pro rata share of death taxes, **4:336**
- Publication
 - attestation, **4:65**
 - exordium clause, **4:105**
- Public policy on no contest clauses, **4:313**
- QTIP lead trust and residuary credit shelter bypass trust, form of will with, **4:542**
- QTIP trusts, **4:249**
- Qualification requirement for executor, **4:145- 4:151**
- Questions of law and fact as to revocation, **4:439**
- Real property
 - sales of, **4:178**
 - specific devise of, **4:263- 4:268**
- Rebuttal of presumption of revocation, **4:463- 4:466**
- Relatives. See Family and relatives, above
- Remainder interests, **4:255**

WILLS—Cont'd

Remains, form of appointment of agent to control disposition of, **4:538**

Remarriage after divorce, **4:383**

Removal of trustee, provisions for, **4:210- 4:213**

Republication by subsequent instrument, **4:469**

Requirements of a will, generally, **4:11- 4:44**

Reservation of right to revoke, **4:431**

Residence, specific devise of, **4:266**

Residuary estate, **4:280, 4:282- 4:286**

Resignation of trustee, **4:200**

Restraints on alienation, **4:256**

Retirement plans and planning, form of revocable plan benefits trust, **8:276**

Revaluation, Revenue Ruling 64-19 funding, **4:303**

Revenue Ruling 64-19 funding, **4:301- 4:304**

Revival of revoked will, **4:467- 4:469**

Revocation, right of
 general discussion, **4:428- 4:483**
 alteration, **4:455**
 burden of proof, **4:460- 4:462**
 codicil, **4:449, 4:458**
 conditional mutual wills, **4:438**
 contest of will, revocation as ground for, **4:507- 4:509**
 contractual wills, **4:26, 4:436, 4:437**
 declaration in writing, **4:448- 4:450**
 dependent relative revocation, **4:470**
 destruction, **4:454, 4:456**
 duplicate wills, **4:471, 4:472**
 effect of revocation, **4:432**
 exclusive nature of statutory provisions, **4:430, 4:431**
 exordium clause, revocation of prior wills, **4:106**
 formalities, **4:442- 4:445**
 how issue is raised, **4:433**
 implied revocation, **4:450- 4:453**

WILLS—Cont'd

Revocation, right of—Cont'd
 joint and mutual wills, **4:437**
 lost will, proof of revocation by, **4:453**
 mistaken belief in destruction, **4:456**
 multiple revoking documents, **4:435**
 obliteration, **4:455**
 physical act, **4:446, 4:447**
 presumed revocation, **4:459- 4:466**
 presumptions, **4:434**
 questions of law and fact, **4:439**
 rebuttal of presumption of revocation, **4:463- 4:466**
 republication by subsequent instrument, **4:469**
 reservation of right to revoke, **4:431**
 revival of revoked will, **4:467- 4:469**
 safekeeping of will, below statutory requirements, **4:430, 4:431**
 subsequent writing or will, **4:440, 4:449**
 testamentary capacity, **4:445**
 time during which will may be revoked, **4:429**
 void will, **4:444**
 ways to revoke, **4:440, 4:441**

Rubber stamp, signature by, **4:54**

Rule against perpetuities, **4:359- 4:362**

Safe deposit box, **4:483**

Safekeeping of will
 general discussion, **4:473- 4:481**
 attorney, leaving with, **4:482**
 county clerk, deposit with, generally, **4:473- 4:481**
 death of testator, procedure on, **4:480, 4:481**
 delivery, **4:480, 4:481**
 drafting attorney, leaving with, **4:482**
 effect of deposit of will, **4:474**
 fees, **4:478**
 index of deposited wills, **4:476**

INDEX

WILLS—Cont'd

- Safekeeping of will—Cont'd
 - procedure to deposit, **4:477, 4:478**
 - safe deposit box, **4:483**
 - sealed wrapper, **4:477**
 - withdrawal of will, procedure for, **4:479**
- Sale or transfer of property
 - executor, sales of real property by, **4:178**
 - securities prior to death, sales of, **4:272**
- Satisfaction, redemption by, **4:425**
- Sealed wrapper, safekeeping of will, **4:477**
- Securities, specific devise of, **4:269-4:272**
- Self-dealing
 - administrative provisions, **4:321**
 - executor, **4:184- 4:186**
 - trustee, **4:219- 4:221**
- Self-proving affidavit
 - general discussion, **4:135**
 - attachment of affidavit by testator and witnesses, **4:29**
 - effect of, **4:73**
 - execution requirements, **4:70- 4:73**
 - forms of, **4:72, 4:535, 4:536, 4:537**
 - holographic wills, **4:82**
 - overview, **4:27- 4:29**
 - presumption, **4:28**
 - signature on, **4:56, 4:71**
- Shelley's Case, abolition of rule in, **4:247**
- Signature
 - attestation, generally, **4:50- 4:56**
 - holographic wills, **4:76- 4:78**
 - self-proving affidavit, **4:56, 4:71**
- Simple will, no tax planning, form of, **4:540**
- Sole executor, **4:153**
- Sound mind requirement for testamentary capacity, **4:89- 4:93**
- Specific bequests or devises. See Bequests, devises, and legacies, above

WILLS—Cont'd

- Standing for will contest proceedings, **4:485- 4:493, 4:531**
- State agencies, identification of beneficiary, **4:236**
- Statute of limitations. See Limitations of time, above
- Statutes and statutory provisions
 - abatement, statutory order of, **4:420, 4:421**
 - advancements, statutory requirements for, **4:413, 4:414**
 - bond or undertaking, statutory requirements for, **4:206**
 - death taxes, apportionment of, **4:335- 4:337**
 - definition of will, **4:13**
 - ethical considerations, **4:7- 4:9**
 - executor, statutory compensation of, **4:172**
 - holographic wills, **4:75- 4:81**
 - homestead and exemption right, **4:355- 4:357**
 - revocation, right of, **4:430, 4:431**
 - trustee, statutory powers of, **4:216**
- Subsequent adjudication of incapacity, effect of, **4:93**
- Subsequent events affecting will provisions, generally, **4:381- 4:427**
- Subsequent writing or will, **4:440, 4:449**
- Survival period, definition of, **4:124, 4:125**
- Surviving parent as natural guardian, **4:224**
- Surviving spouse as trustee, **4:191**
- Tax effect of bequests, devises, and legacies, **4:279, 4:286**
- Temporary administrators as necessary parties to will contest, **4:498**
- Testamentary capacity
 - general discussion, **1:73-1:75, 4:87- 4:98**
 - age requirement, **4:88**
 - construction and interpretation, **4:366**
 - contest of will, lack of testamentary capacity as

WILLS—Cont'd

Testamentary capacity—Cont'd
 ground for, **4:510- 4:516**
 contractual capacity compared, **4:95**
 definition of sound mind, **4:90**
 executions involving possible incapacity, **4:96- 4:98**
 hospitalized testator, **4:98**
 information gathering and counseling of client, **3:18**
 insane delusion, **4:94**
 lucid intervals, **4:91**
 mental disability of testator, **4:97**
 prior adjudication of incapacity, effect of, **4:92**
 revocation, right of, **4:445**
 sound mind requirement, **4:89- 4:93**
 subsequent adjudication of incapacity, effect of, **4:93**
 Testamentary trusts. See Trustees, below
 Texas Rules of Professional Conduct, **4:1- 4:6**
 Time or date
 holographic wills, **4:79**
 revocation, right of, **4:429**
 Tolling of limitations in will contests, **4:527**
 Trustees
 general discussion, **4:187- 4:222**
 for detailed treatment see index heading WILLS
 ancillary trustees, **4:199**
 attorney as trustee, **4:192**
 beneficiary
 removal of trustee by, **4:211**
 as trustee, **4:193**
 bond or undertaking, **4:205- 4:209**
 compensation, **4:214**
 cotrustees, **4:196**
 delegation of duties, **4:197**
 deposit of bond or undertaking, **4:208**
 identification of beneficiary, **4:232- 4:234**
 implied powers of trustees, **4:217**

WILLS—Cont'd

Trustees—Cont'd
 limitations imposed on powers of trustees, **4:218**
 necessary parties to will contest, **4:497**
 number of persons who can serve, **4:194- 4:198**
 powers of trustees, **4:215- 4:218**
 removal of trustee, provisions for, **4:210- 4:213**
 resignation, **4:200**
 self-dealing, restrictions on, **4:219- 4:221**
 sole trustee, **4:195**
 statutory powers and duties, **4:189, 4:206, 4:216**
 surviving spouse as trustee, **4:191**
 who can serve, **4:188- 4:193**
 Trusts
 dispositive provisions, generally, **4:248- 4:250**
 trustee. See Trustees, above
 Types of wills, generally, **4:15- 4:29**
 Typewritten signature, **4:55**
 Undue influence
 execution requirements, **4:33- 4:35**
 will contests, **4:517- 4:520**
 Void will, revocation of, **4:444**
 Waiver and estoppel
 bond or undertaking
 executor, **4:166, 4:167**
 trustee, **4:208**
 conflict of interest of executor, **4:151**
 contests of will, defense in, **4:528, 4:529**
 executor, above
 trustee, deposit of bond or undertaking, **4:208**
 Withdrawal of will, procedure for safekeeping, **4:479**
 Witnesses
 attestation. See Attestation, above
 ethical considerations regarding bequests to, **4:9**
 holographic wills, **4:80**
 Writing requirement, attestation, **4:47- 4:49**

INDEX

WINDING UP AFFAIRS

Trustee, **5:386**

WITHDRAWAL

Attorney withdrawal letter, **2:79**
form of, **2:93**

Grantor retained annuity trust
(GRAT), **12:249**

Trusts for minors, **5:520**

Wills, **4:479**

WITHHOLDING INFORMATION

Attorney-client relationship, managing of, **2:60**

WITNESSES

Lifetime planning. See index heading

LIFETIME PLANNING

Wills. See index heading WILLS

WORTHLESS PROPERTY

Trusts, **5:208**

WRITING REQUIREMENT

Disclaimers, **15:44-15:46**

Federal transfer tax system, **6:66**

Lifetime planning. See index heading

LIFETIME PLANNING

Trusts. See index heading TRUSTS

Wills, **4:47- 4:49**