

March 2, 2011

The past year and a half have led many estate planners to the same conclusion Dorothy reached in the *Wizard of Oz*, “Toto, I’ve a feeling that we’re not in Kansas anymore.” While now we may all be “somewhere over the rainbow”, we at least have some clarity about the estate, gift and generation skipping transfer tax rules ... for the next year and a half. The good news is that the Tax Relief Act of 2010 provides estate planners with some exceptional opportunities to help families transfer wealth to future generations with the expanded \$5 million exemption and historically low 35% tax rate. The Center for American and International Law’s Annual Course on Estate Planning will provide participants with some insights on how to take advantage of these opportunities while we find ourselves roaming about in the “Emerald City.”

But the planner’s odyssey doesn’t stop there. We must also deal with the (now familiar) uncertainty of what the transfer tax system will look like in the not so distant future, after December 31, 2012. Will the tax rate be 35%, 45%, 55% or something else? Will the exemption be an inflation-adjusted \$1 million, \$3.5 million, \$5 million or something else? No one can say at this point. Clearly, as Alice observed in *Alice in Wonderland*, “It was much pleasanter at home, when one wasn’t always growing larger and smaller, and being ordered about by mice and rabbits [or perhaps, donkeys and elephants].” This year’s Annual Course on Estate Planning will also address how estate planners can deal with the difficulties posed by the ever changing transfer tax landscape. In short, it is a program that should have something valuable for most everyone who advises clients in estate planning matters.

Sincerely,

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