COLE SCHOTZ
Cole, Schotz, Meisel, Forman & Leonard, P.A.

TAX, TRUSTS & ESTATES

The Cole Schotz Tax, Trusts & Estates attorneys counsel individuals and businesses in a range of tax and estate planning strategies. Our clients include owners of family businesses where succession planning and asset protection are linked, and individuals of substantial means who wish to take advantage of sophisticated tax planning techniques to retain and build their wealth for future generations.

Business Counseling

Many of our Tax, Trusts & Estates clients include closely held and family business owners who rely on us as skilled and trusted advisors. In this role, we work closely with our clients to create a clear business vision, develop a success strategy and provide keen guidance in implementing that strategy. The latter includes helping our clients identify and address their daily and long-term challenges, including succession planning, structuring and business control.

We employ a variety of tools in facilitating an orderly, tax advantaged succession plan, including buy/sell agreements, stockholders' agreements, operating agreements, phantom ownership plans, deferred compensation agreements, family limited liability companies, family limited partnerships, Grantor Retained Annuity Trusts (GRAT's) and installment sales to Intentionally Defective Grantor Trusts (IDGT's). With our legal and financial knowledge, experience and instincts, we strive to further our clients' success and guide their businesses confidently into the future.

Estate Administration

In addition to our estate planning skills, we have a wealth of experience in estate administration in New York, New Jersey and Florida. We handle the probate process, assist in valuing assets, prepare and file state and federal estate and inheritance tax returns, prepare disclaimers and handle postmortem tax planning. We are experienced in working with families during periods of grief and strive to make the process as simple and comfortable as possible.

Estate Planning

We work with domestic and international clients and their families to cover a broad spectrum of personal planning needs, including estate planning, special needs planning, estate administration and charitable planning. In doing so, we listen carefully to our clients, addressing their unique needs and concerns and helping them achieve their wealth transfer goals.

We also assist clients in preparing wills, powers of attorney and health care proxies and trusts, and in formulating ways to minimize estate taxes and make tax efficient gifts.

On behalf of our business and corporate clients, we coordinate business succession planning, manage control issues and coordinate assets, including insurance and retirement plans.

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Probate Litigation

When the need arises, our Tax, Trusts & Estates attorneys team up with members of our Litigation department to handle complex probate and trust disputes. We represent estate executors, trustees and beneficiaries, working to resolve issues stemming from ambiguous will or trust provisions, contested wills and trusts, and breaches of fiduciary trust, including asset mismanagement, reformation of trust actions and actions to remove fiduciaries.

We are acutely aware of the financial and emotional toll that these disputes can have on our clients, particularly on families. We maintain a close relationship with our clients throughout the process, keeping their priorities and objectives top of mind and involving them in all strategic decisions.

Tax Controversies

When tax issues arise, clients need counsel they can trust on their side. The firm has extensive experience in handling all phases of federal and state tax controversies, including audits, administrative appeals and tax litigation, as well as representation before the collection and criminal investigation divisions of the IRS, State of New Jersey Division of Taxation and the New York Department of Taxation and Finance.

We represent clients facing state tax assessments resulting from disputes concerning their residency or domicile, as well as “trust fund” tax disputes over responsibility for unpaid sales tax and payroll taxes. We also strive to make the audit process less stressful, helping our corporate and individual clients produce the necessary documentation and advocating on their behalf with the federal and state tax authorities.

Tax Planning

Without proper planning, individuals can end up paying more in taxes than they have to. We work closely with our clients to develop the best planning techniques for both their current needs and long-term personal goals. We counsel our clients on all tax-related issues involving estate planning, taking into consideration federal and state estate taxes, inheritance taxes, income taxes and generation skipping transfer taxes, as well as partnership and subchapter S tax issues. We also handle gift and estate tax audits.

The planning options we employ are designed to minimize our clients’ tax liability so they can retain more of the money they have earned or inherited. These include Qualified Personal Residence Trusts, Family Limited Partnerships, Limited Liability Companies, Grantor Trusts, Grantor Retained Annuity Trusts and sales transactions with self canceling installment notes.

TAX, TRUSTS & ESTATES (Continued)

REPRESENTATIVE MATTERS

We succeeded in substantiating, in IRS proceedings, the transfer of approximately $6 million of assets out of a client’s taxable estate shortly before the client’s death with no transfer tax consequences. The taxpayer funded a limited partnership with $10 million of assets and then sold a 50% limited partnership interest to her children in exchange for a private annuity, transferred approximately 10% to a charitable lead trust and transferred small percentage interests to the taxpayer’s children and grandchildren. These strategies saved the family approximately $3 million in estate taxes.