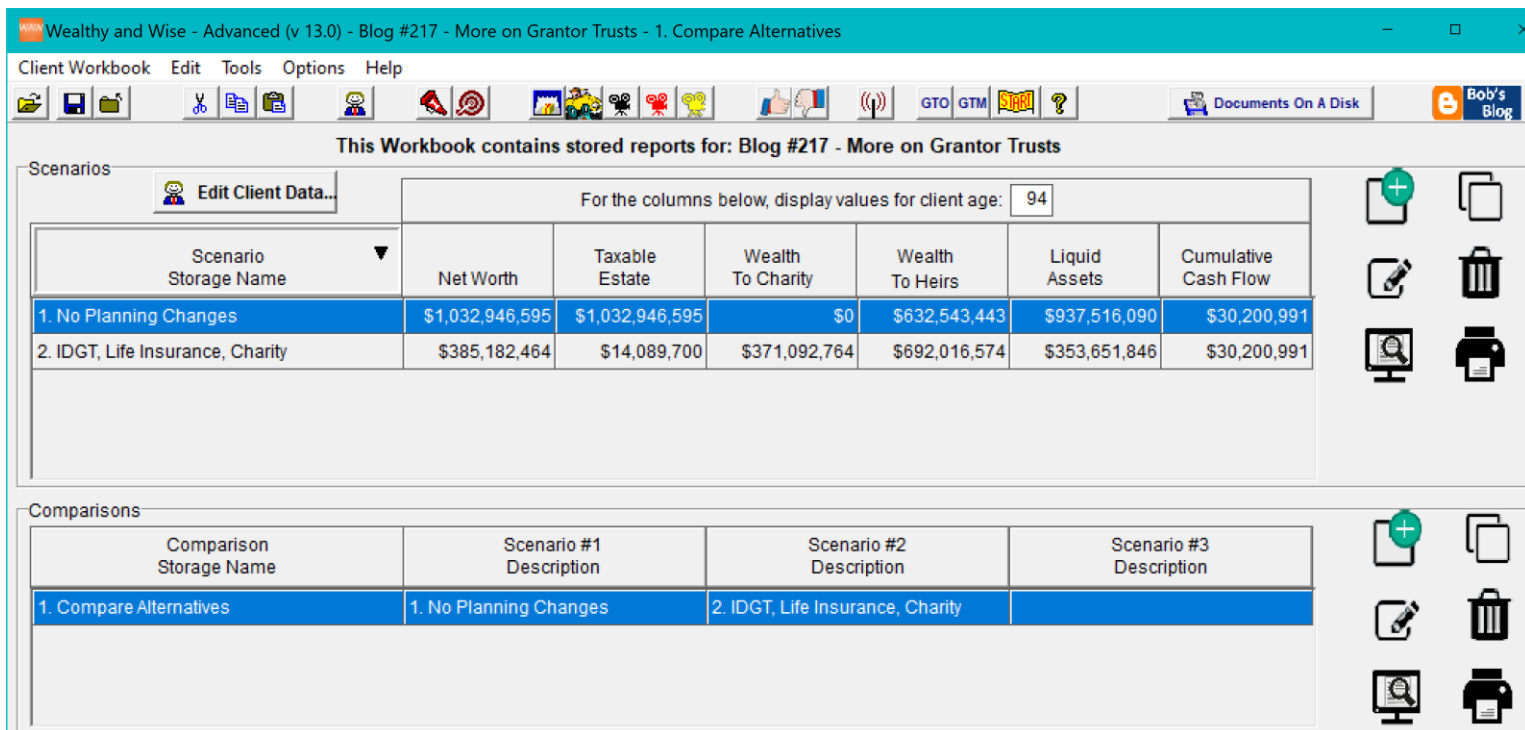


Below is the Workbook Main Window of **Wealthy and Wise® (Advanced)** used for Blog #217.



The screenshot shows the 'Wealthy and Wise - Advanced (v 13.0) - Blog #217 - More on Grantor Trusts - 1. Compare Alternatives' window. The main area is titled 'This Workbook contains stored reports for: Blog #217 - More on Grantor Trusts'. It features two main sections: 'Scenarios' and 'Comparisons'.

**Scenarios Table:**

Scenario Storage Name	Net Worth	Taxable Estate	Wealth To Charity	Wealth To Heirs	Liquid Assets	Cumulative Cash Flow
1. No Planning Changes	\$1,032,946,595	\$1,032,946,595	\$0	\$632,543,443	\$937,516,090	\$30,200,991
2. IDGT, Life Insurance, Charity	\$385,182,464	\$14,089,700	\$371,092,764	\$692,016,574	\$353,651,846	\$30,200,991

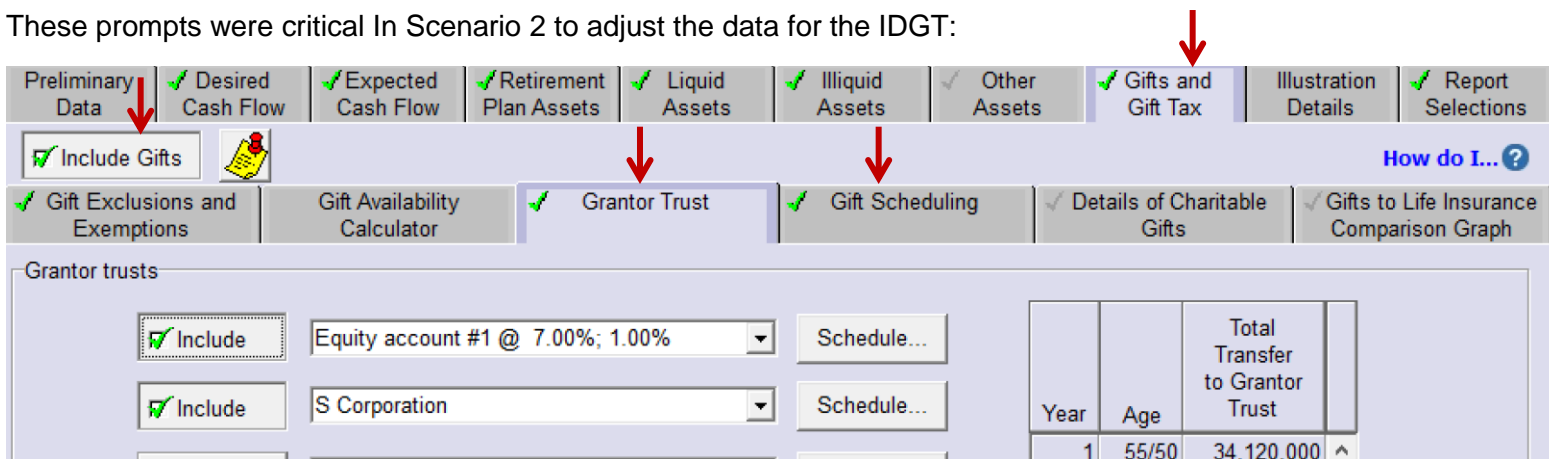
**Comparisons Table:**

Comparison Storage Name	Scenario #1 Description	Scenario #2 Description	Scenario #3 Description
1. Compare Alternatives	1. No Planning Changes	2. IDGT, Life Insurance, Charity	

Anthony and Anita Favaro, age 55 and 50, have retired after selling their commercial real estate company for \$40 million. Their overall net worth is \$80.5 million. The purpose of this **Wealthy and Wise® (Advanced)** analysis is to calculate a wealth plan for the Favaros featuring the use of an intentionally defective grantor trust (IDGT) featuring our specialty, **do-it vs. don't-do-it™**.

As you can see from the image above, Scenario 1 does not involve the IDGT as it replicates the Favaros current wealth as outlined in Blog #217. Once done with Scenario 1, I copied it as Scenario 2 and made the IDGT adjustments.

These prompts were critical In Scenario 2 to adjust the data for the IDGT:



The screenshot shows the 'Preliminary Data' section of the software. Red arrows point to several key settings:

- Gifts and Gift Tax:** A red arrow points to the 'Gifts and Gift Tax' checkbox, which is checked.
- Grantor Trust:** A red arrow points to the 'Grantor Trust' checkbox, which is checked.
- Gift Scheduling:** A red arrow points to the 'Gift Scheduling' checkbox, which is checked.

Below these settings, the 'Grantor trusts' section is visible, showing two entries:

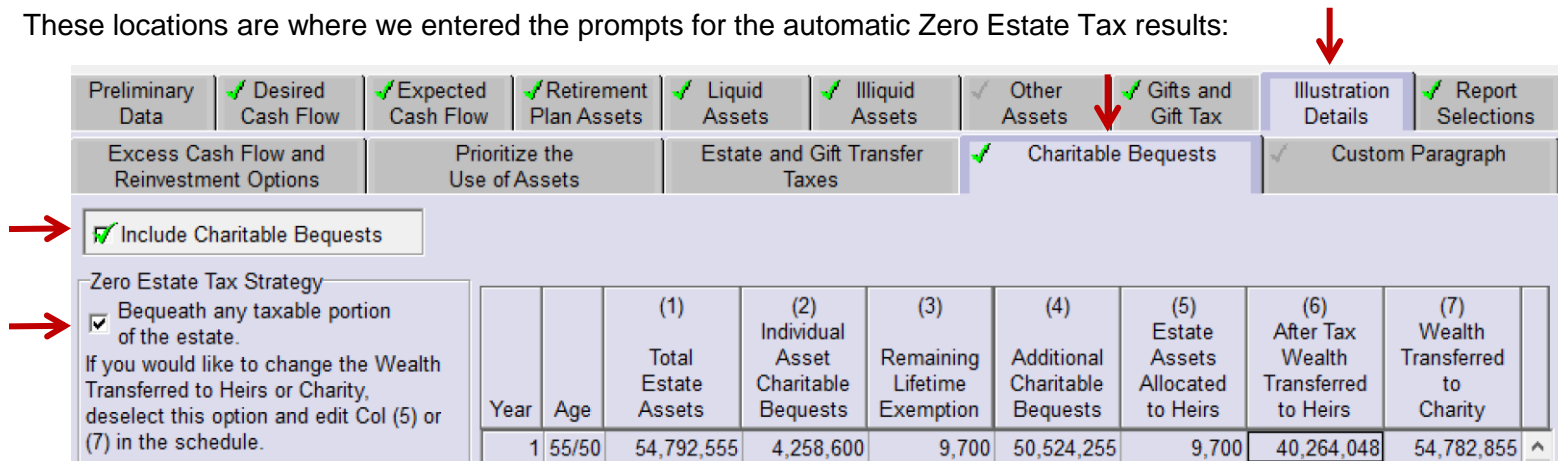
Year	Age	Total Transfer to Grantor Trust
1	55/50	34,120,000

We transferred (retitled) \$24,120,000 (maximum lifetime gift) from the Favaro's equity assets to the IDGT and sold their S Corporation to the IDGT. Read the details of these two transactions in Blog #217.



We entered data for the \$10,000,000 life insurance policy in this section.

These locations are where we entered the prompts for the automatic Zero Estate Tax results:



It is not difficult to enter data for an IDGT In **Wealthy and Wise™ (Advanced)**.

If you are, or become, licensed for **Wealthy and Wise™ (Advanced)**, the best way to understand the necessary prompts for the results illustrated in Blog #217 is to download the file named “Blog #217 - More on Grantor Trusts.!wa” from Blog #217. (It is available right after the puzzle pieces graphic near the end of Blog #217.)

Stay safe and well,

*Bob Ritter*

### **.InsMark’s Referral Resources**

(Put Our Illustration Experts to Work for Your Practice)

We created Referral Resources to deliver a “do-it-for-me” illustration service in a way that makes sense for your practice. You can utilize your choice of insurance company, and there is no commission split. They are very familiar with running InsMark software.

Mention Bob Ritter (InsMark President) when you talk to our Referral Resource as they have promised to take special care of subscribers of our Blog. Our only request is this: if a Referral Resource helps you get the sale, place that case through them; otherwise, you will be taking unfair advantage of their generous offer to InsMark licensees.

Save time and get results with any InsMark illustration.

Contact: Ben Nevejans, President of [LifePro Financial Services](#) in San Diego, CA.

**Important Note:** The information in this report is for educational purposes only. In all cases, the approval of a client’s legal and tax advisers must be secured regarding the implementation or modification of any planning technique as well as the applicability and consequences of new cases, rulings, or legislation upon existing or impending plans.

“InsMark” and “Wealthy and Wise” are registered trademarks of InsMark, Inc.

.Copyright © 2022 InsMark, Inc.,

All Rights Reserved