Dynamic Chiropractic

YOUR PRACTICE / BUSINESS

A Trust You Can Trust to Reduce Taxes, Increase Income, and Strengthen Chiropractic's Future

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Would you like to keep your tax dollars (be they income, capital gains, or inheritance/estate taxes) from the IRS and invest these dollars for your family's use now or at retirement? Would you like to increase your children's and grandchildren's inheritance, or make a difference in chiropractic's future by benefiting research and education after you're gone? Would you like to do all this and get a substantial tax deduction?

Sound too good to be true? Yes, you can claim a special financial edge that will give you these advantages and more. It's called a charitable remainder unitrust. This exciting, flexible financial planning tool was created by Congress in 1969. Using a unitrust, you can make plans for a future gift to a qualified charitable organization such as the Foundation for Chiropractic Education and Research (FCER), but keep the income from your unitrust for as long as you and your spouse live, or for the lifetime of another family member who needs income. FCER receives your gift only after you and all the income beneficiaries are deceased.

According to Mark Skousen, Washington, D.C., independent financial advisor and editor of Forecasts & Strategies, the charitable remainder unitrust is one of the "two most powerful tax shelters in American today. It offers an almost unbelievable combination of benefits."

Using a unitrust, you can receive many financial and tax benefits, and you'll feel a great sense of joy in giving and sharing through an important gift to support chiropractic research and education in the future.

As one chiropractor said after recently establishing his unitrust, "This is a real winning situation for me and my family." He was happy saving more than $60,000 in capital gains tax and taking an immediate tax deduction of $33,000. He substantially increased his annual income for as long as he and his wife lived, knowing that no federal estate tax would be paid on assets in his unitrust. He guaranteed a generous inheritance for his children; set up plans for a future gift to the FCER in his and his wife's names, along with a gift for his chiropractic college -- an important legacy.

Make the Unitrust Work For You

After you've set up your unitrust, it's ready to go to work for you now and tomorrow. You'll use this powerful tool repeatedly through your lifetime. For example, here's how one chiropractor could use a unitrust:

At age 32 he starts making annual deposits in his unitrust to build a future supplemental retirement fund. (According to Atlanta-based estate planning attorney, Zoe Hicks, "Since a unitrust is exempt from the ERISA contribution and coverage requirements affecting qualified plans, it can be a valuable alternative to traditional retirement plans, especially for owners of small businesses.")

Advantage -- He gets an income tax deduction and avoids tax on the growth of assets in his unitrust.

At 39 he uses his unitrust to avoid capital gains tax on the sale of appreciated stock.

Advantage -- He keeps the use of $50,000 he would have otherwise paid in tax.

At 40 he's recognized by the FCER for his plans to establish an endowed research grant fund in his name, to be funded with part of his unitrust assets after his death.

Advantage -- His name will be perpetuated in chiropractic forever through this important gift. His unitrust can also make gifts to his chiropractic college, his church, or a favorite community charity.

At 43 he adjusts his unitrust to help pay college expenses for his daughter.

Advantage -- By modifying the unitrust investments, he's paid tax favored income to assist his daughter's education.

At 49 he establishes a substantial inheritance for his heirs through a "wealth replacement insurance trust," that's funded with income and tax savings from his unitrust. This inheritance will pass to his children tax free.

Advantage -- His heirs will receive more than the total value of the assets he originally placed in his unitrust.

At 60 he uses his unitrust to sell his highly appreciated business real estate and avoid all capital gains tax so the full principal value earns income for him.

Advantage -- He makes this transaction worth an additional $400,000 over his lifetime and that of his wife.

At 62 he practices on a semi-retirement schedule, continuing to help his patients and still having lots of time for travel and hobbies. By shifting the unitrust investments, he receives additional income.

Advantage -- He receives income from the supplemental retirement program he started years ago, where assets have compounded tax free inside his unitrust.

At 73 he fine tunes his estate plan to minimize estate tax and maximize benefits for his family and the ultimate charitable beneficiaries of the unitrust.

Advantage -- He reduces his estate tax by several hundred thousand dollars and increases his spendable income, some of which is tax free.

How will you use your unitrust? That depends on the goals you and your financial advisors want to achieve for you and your family. Owning a unitrust will expand your options in ways you've never dreamed possible.

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