

## [Avi Z. Kestenbaum & Mary P. O'Reilly: "Stepping-Up" CLATS, a Win-Win for Beneficiaries and Charities "](#)

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“With today’s high federal income tax rates and the estate tax applicable to relatively few estates and at lower rates, there has been an increased focus in estate planning to achieve a step-up in income tax basis at death. However, in most cases moving assets outside of the taxable estate and receiving a step-up in basis are mutually exclusive—you can achieve one but not both. Enter the zeroed-out testamentary charitable lead annuity trust (CLAT) when after death the estate sells its otherwise taxable assets to the family or to trusts for their behalf before the CLAT is funded. When utilized properly for clients who have already done significant lifetime planning, this technique allows for all of the client’s assets to pass to the family with a full step-up in basis, while paying no estate tax, a seemingly impossible achievement.”

Avi Kestenbaum and Mary O’Reilly provide members with their commentary on zeroed-out, testamentary CLATs.

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## [Know the Differences - Why All Charitable Contribution Deductions Are Not Equal](#)

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### **By Avi Z. Kestenbaum**

Many tax and estate planning professionals are aware of the basic tax rules governing deductions for charitable contributions. They know the general distinctions between the limits on income tax deductions for contributions to private foundations, and for contributions to public charities. But the devil is in the detail: many of these rules are intricate and complicated. Also, advisors sometimes fail to adequately notice the differences between:

- the income tax charitable contribution deductions for individuals and for trusts and estates, and
- the income tax charitable contribution deductions and the gift and estate tax charitable contribution deductions.

Understanding the fine print for all these deductions is essential for creating strategies for increasing tax savings.

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## [Numerous Pension Act Changes Affect Charitable and Estate Planning](#)

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**By Avi Z. Kestenbaum**

Charitable organizations and their donors need to cope with a variety of provisions in the Pension Protection Act and a few changes can actually produce tax savings.

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## [Proposed Revisions to the Uniform Management of Institutional Funds Act](#)

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**By Avi Z. Kestenbaum**

Specialists in the charitable planning and nonprofit fields should be aware that proposed revisions to UMIFA, which are expected to be enacted in 2005, will have a significant impact on the management and spending of charitable funds.

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## [Duties and Liabilities of Nonprofit Directors and Officers](#)

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**By Avi Z. Kestenbaum**

Recent developments have increased the duties and obligations of nonprofit corporation boards of directors and officers and may have increased their liabilities as well. This article focuses on some of the developments, provides insight into understanding the duties and obligations of nonprofit directors and officers, and offers guidance on affirmative steps to minimize the liability of these individuals.

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## [The New Age of Corporate Governance for Non-Profit Organizations](#)

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**By Avi Z. Kestenbaum**

With the abundance of corporate governance scandals and abuses in recent years, and the remedial measures and penalties imposed by the legislature and judiciary at both the federal and state levels to address them, both the for-profit and non-profit sectors are experiencing a new age of corporate governance. Most people are aware of Sarbanes-Oxley, as well as the numerous court cases involving fraud and wrong doing in once prominent corporations (e.g., Enron, Tyco, Worldcom, Adelphi Communication), which have raised the bar of corporate governance requirements in the for-profit world.

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