



# ED SLOTT'S IRA ADVISOR

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## TAX & ESTATE PLANNING FOR YOUR RETIREMENT SAVINGS

### New for 2006! Ed Slott's Exclusive 2-Day IRA Workshop

See page 8

"Here's something to think about:  
How come you never see a headline  
like 'Psychic Wins Lottery'?"

- Jay Leno

**Attention: You May Have Already  
Won \$1 million!**

Just answer this question:  
Do you have a pulse?

If yes, then Congratulations! You are a  
winner.

No, this is not that email  
lottery spam scam or  
another desperate message  
from Nigerian royalty. This  
is the real deal. By being  
alive to read this in 2006,  
you have just made  
\$500,000. If you are mar-  
ried, that's a \$1 million  
increase in the amount you  
can pass to heirs estate tax  
free. That's because the  
federal estate tax exemption rises to \$2  
million from the 2005 amount of \$1.5  
million. Imagine, a tax break just for  
being able to still fog a mirror? What a  
country.

Our feature article "Estate Planning  
for 2006" addresses the new planning  
options. There is a good chance that  
many estate plans should be revised, not

**More of your  
IRA can now  
pass to  
beneficiaries  
free of  
federal estate  
and  
generation  
skipping  
taxes.**

only to make sure that the new  
exemption amounts are incorporated,  
but to avoid leaving a spouse with less  
assets than anticipated or having your  
estate subjected to unexpected state  
estate taxes as a result of states  
decoupling from the federal estate tax  
law. More of your IRA can now pass to  
beneficiaries free of federal estate and  
generation skipping taxes.

This month's guest IRA expert is  
attorney Philip Kavesh, of Kavesh,  
Minor & Otis, a law firm in Torrance,  
California. Phil has created The IRA  
Inheritance Trust™, a unique trust  
crafted by Phil to specifically work  
within the IRS guidelines  
to qualify as a see-through  
trust and provide post-  
death flexibility for IRA  
beneficiaries. His article  
"The IRA Inheritance  
Trust™ Gains IRS  
Approval" provides the  
details on IRS Private  
Letter Ruling 200537044  
which was obtained by  
Phil based on his own crea-  
tion, The IRA Inheritance  
Trust. This ruling shows you how to  
properly set up a trust to inherit an IRA.

For more IRA information, visit our  
website at [www.ira-help.com](http://www.ira-help.com).

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### WHAT'S INSIDE?

#### Feature Article

##### Estate Planning for 2006

- Planning With a \$2 Million Exemption
- Gift Tax vs. Estate Tax
- Estate Planning Basics: Using the Federal Estate Tax Exemption
- Increased Estate Exemption May Create Two Other Problems
- How Much Will Your Spouse Receive Now?
- Disclaimer Planning Allows Flexibility
- Increased State Estate Tax Cost of Decoupling
- What to Do Now
- Check Your Net Worth
- What Did Not Change

— Pages 2-4

##### Your Estate Planning Resource Center

— Page 5

##### 2006 Estate and Plan Limits

— Page 5

#### Guest IRA Expert

Philip J. Kavesh,  
J.D., LL.M. (Taxation)  
Kavesh, Minor & Otis  
Torrance, California

The IRA Inheritance Trust™  
Gains IRS Approval

— Pages 5-8

##### IRA Ruling Update

— Page 8

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1

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