GREAT PLAINS Trust

IN THIS ISSUE

Great Plains Trust & KCM Holiday Open House!

Great Plains Trust and Kornitzer Capital Management/ Buffalo Funds will be hosting a holiday open house at the Buffalo Funds Executive Level at Children's Mercy Park, the home of Sporting KC, on Thursday, November 16th from 4:00 p.m. to 7:00 p.m.

Cocktails and hors d'oeuvres will be served. We hope to see you on November 16th as we celebrate the season with clients and friends.

Please RSVP to Shauna Newton at 913.831.7999 or shauna@greatplainstrust.com by October 31, 2023.

Giving Tools

As we move into the last quarter of 2023 and the season of giving, it seems a good time to discuss charitable giving. Long-term giving plans, as opposed to spontaneous and sporadic gifts, provide many important advantages: more intentional giving, greater impact on the causes that mean the most to you and your family, the opportunity to boost the value of your giving dollars through good investment decisions and tax planning, and the elimination of time and stress associated with reoccurring giving decisions. One way to accomplish a plan is through a family foundation.

Some family foundations are set up under IRS 501(c)(3). This process involves filings with the State and compliance with several rules and regulations. Although not always, these types of foundations are often established to independently serve a specific charity such as a hospital or university, for example. Named for the section of the US Internal Revenue Code that allows for their tax exemption, these entities include public charities, non-profit corporations, and private foundations.

Another way to form a foundation is by using a charitable trust. These can be drafted by your attorney and are an excellent way to support several favorite causes. For example, you could set one up to give certain amounts to a homeless shelter, various scholarships, a church, and a hospital to fund research.

The trustee(s) you select will be responsible for carrying out your plan. These can be one or more individuals and/or a corporation.

Continued on pg. 2

Year-End Financial Planning Reminders

- As a reminder, GPTC can work with retiring or terminated plan participants to arrange rollovers to new IRAs. Plan sponsors should contact their wealth advisor for assistance.

- Deferrals to 401(k) plans for 2023 must be initiated by December 31st; however, due to some payroll cycles, funds may not reach plans until 2024. The maximum deferral amount for 2023 is $22,500 ($30,000 if age 50 or over).

- 2023 RMD's must be paid no later than December 31, 2023. Remaining RMD's will be paid at the end of November.

- Do you want to make an in kind charitable gift of stock for 2023? If so, please send your request to us no later than December 11, 2023 to guarantee delivery to the charitable organization in 2023.

What is an In-Service Rollover and Should I Consider It?

Employer Retirement Plans can be excellent vehicles to help save for retirement. Money is typically invested on a pre-tax basis and then grows on a tax-deferred basis. Employers often provide a matching contribution for employee 401(k) contributions up to a certain percentage.

Most employees wait until retirement or a job change to consider rolling over their balance into an Individual Retirement Account (IRA). But not all plans are created equal, and some plans offer only limited investment options. Many plans offer the option for in-service withdrawals allowing current employees to rollover all or some of their balance tax-free into an IRA. An in-service rollover may provide more investment flexibility and control in managing retirement funds. This may be an attractive option when retirement is on the horizon.

Employees who are at least 59½ years old will avoid the 10% penalty on any money moved and will not be required to pay the deferred taxes on the balance if rolled over to an IRA. Requirements for in-service rollovers are specific to each plan; your plan provider or employer can let you know if it is an option and what criteria must be met. While rarer, some employers may stop you from being able to contribute to their 401(k) plan for a period after the rollover. You should also examine the fee structure of both arrangements, any Net Unrealized Appreciation (NUA) tax impacts, and differences in creditor protection.

An in-service rollover may provide more investment flexibility and control in managing retirement funds.

Please consult your tax advisor, as well as your plan provider, regarding the tax implications of an in-service rollover and whether it is a strategy that is appropriate for your situation. We can help you determine what questions to ask.

Giving Tools (continued)

Choosing family members to serve together can provide an excellent opportunity for them to work together toward a meaningful goal while, at the same time, learning the value of giving to others. Another wise approach is to select 1) a corporate trustee to handle the investments, tax filings, accountings, and other administrative tasks and 2) one or more family members, serving as co-trustee(s), to choose charities and amounts to give away.

You can set very specific directions for use of the funds, provide guidelines, such as which types of charities to serve, or leave your trustee(s) with broader discretion to decide. Finally, you can begin distributions during life, at death, or direct that funds be used to support a loved-one, such as your spouse, for life with all or a portion of what remains at her/his death passing to the foundation.

We are experienced in helping many clients tailor a charitable giving plan specific to their situation, family, and giving goals. Please give us a call if we can help.

Spousal Lifetime Access Trust (SLAT)

Since the 2017 Tax Cuts and Jobs Act, the lifetime estate and gift tax exemption has been historically high - $12.92 million for individuals and $25.84 million for couples. Without congressional action, the estate tax exemption is currently scheduled to expire on December 31, 2025, and the inflation-adjusted exemption will return to approximately $7 million ($14 million for couples). Due to these expected changes, high-net-worth individuals and families should review their estate plans to see if it might be beneficial to make additional lifetime gifts to use the exemption before they potentially lose it.

One strategy that might be utilized to make a lifetime gift is an irrevocable grantor trust called a spousal lifetime access trust (SLAT) that allows the donor spouse to have indirect access to gifted assets by means of the beneficiary spouse. One spouse makes a gift into the trust for the benefit of the other spouse (and possibly other family members), thereby removing the assets along with any post-gift appreciation from their combined estates. Upon the death of the non-donor spouse, the assets are transferred to the remaining trust beneficiaries such as children or grandchildren, either outright or in further trust.

There are several advantages to establishing SLAT trusts as a means of lifetime gifting. While the donor's transfer of assets to the SLAT is a taxable gift and a gift tax return should be filed, a gift tax may not be owed if the donor utilizes their Federal gift and estate tax exclusion. The trust assets are excluded from the beneficiary spouse's estate as well. SLAT'S are typically grantor trusts, which means the donor (who has a lower tax bracket) rather than the trust pays the income tax on earnings. The assets inside the trust are allowed to appreciate outside the estate of the donor and the spouse. Even if the donor's estate is not large enough to be subject to federal estate tax, a SLAT may be a good strategy for individuals who reside in states with a state estate tax.

One reason that individuals often do not use irrevocable trusts for lifetime gifts to remove the assets from their estate is that, by definition, to make a completed gift, they have to give up control of the assets. While establishing a SLAT still involves giving up control of the assets to the trustee, the donor retains some indirect control over the assets by virtue of the fact that his or her spouse is the beneficiary of the trust. This distinction can make a SLAT trust more palatable than other irrevocable grantor trusts. These trusts can also provide creditor protection.

While SLAT's can be good planning tools, there are a few important things to consider before establishing a SLAT:

- At the death of the non-donor spouse, the donor spouse will no longer have indirect access to trust assets as the trust may either terminate or be distributed to remaining beneficiaries. Provisions should also be included in the trust that the non-donor beneficiary loses his or her beneficial interest in the trust in the event of a divorce.
- The spouse establishing the trust should consider naming an independent co-trustee to serve with the non-donor spouse to avoid potential inclusion of trust assets in the non-donor spouse's estate if he or she has broad discretion over trust distributions.
- The transfer of assets to a SLAT removes the assets from both spouses' estates. Since the assets are out of their estates, the assets will not receive a "step-up" in basis at the death of either spouse. The trust may allow the donor to swap low basis assets for high basis assets.
- The donor must be careful to only transfer assets to the SLAT that are owned by the donor and not owned jointly. Otherwise, the SLAT could be negated because the gift could be treated as being made by both spouses. Individuals who live in community property states need to be especially aware of this caveat and may need additional documentation.

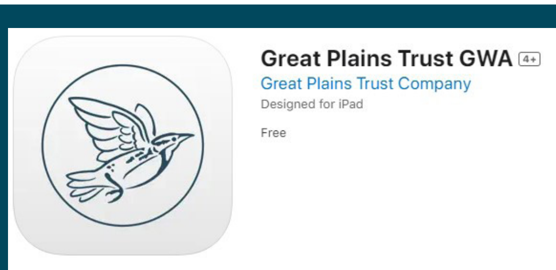
If you are potentially subject to the estate tax, you may want to talk to your financial planner and attorney about the possibility of making wealth transfers now, such as transferring assets to a SLAT. A SLAT can be a very effective planning tool to pass wealth to the next generation without incurring estate and gift taxes or generation skipping transfer tax.

The Great Plains Trust GWA Mobile App is now Available in the Apple App Store!

Great Plains recently released its mobile app which allows for iPhone/iPad users to access their client account information. The app is built on the same design platform as our desktop version, formerly known as TrustReporter, and offers biometric authentication for security and ease of use. After downloading the Great Plains Trust GWA app, clients will be able to access:

- Account Values & Holdings
- Transaction Data
- Statements
- Tax Reports
- Trade Activity

Great Plains will also be introducing an app for Android users, scheduled to be released in Q2 2024.



Get Online Statements & Advice of Trades

If you currently do not have access to TrustReporter and would like to view your accounts online, switch to online statements, and/or see trade advices, we can help!

Send a request to: trustops@greatplainstrust.com

Questions about online access?
E-mail or call: trustops@greatplainstrust.com
913-831-7999

End of Life Discussions

Talking about your impending death can be difficult. Most people would rather not discuss end-of-life topics. And worse, many families have their own horror stories surrounding a failure to plan for the inevitable. It is hard enough losing a loved one, but no one should have to worry about the aftermath of an estate without a plan or the scavenger hunt for important information. Here are some tools and resources to facilitate the conversation.

Speak to an attorney about an estate plan. You should be equipped with Financial and Medical Powers of Attorney, a Healthcare Directive, and a Last Will and Testament (or a combination of a Trust and Last Will and Testament). These legal documents protect you and your possessions while you're living and upon your death. Each document is briefly described below.

A Financial Power of Attorney grants a trusted agent the authority to act on your behalf regarding financial and real estate matters. A Medical Power of Attorney works similarly but covers all health-related matters. A Healthcare Directive describes your wishes for treatment in a medical emergency. A Last Will and Testament expresses how your property will be distributed upon your death and who will oversee these distributions. Finally, a Trust works similarly to a Last Will and Testament, but a Trust avoids the cost, time, and public intrusion of probate administration. Consult a local estate planning attorney to discuss what is best for you.

Consider investing in a Next-of-Kin Box ("Nokbox") or similar online service. The Nokbox is a system that helps you organize all your accounts, possessions, personal history, medical information, and estate plans. Checklists within the Nokbox tell you exactly what to drop into each organizational folder, making it easy to fill and update, saving your next-of-kin hours of time managing your estate.

Add a "Legacy Contact" to your devices and online accounts. On your Apple device, you can establish a "Legacy Contact." This person of your choosing will have access to your data in your Apple account upon your death. To add a "Legacy Contact", go to Settings on your iPhone or iPad; tap your name, then Sign-in & Security, then tap Legacy Contact. Tap Add Legacy Contact. Then share the generated Access Key with the chosen individual. Your "Legacy Contact" must have both the Access Key and your death certificate to request access after you pass away. A "Legacy Contact" can also be added to your Facebook account. If you're an Android user, or if you use Google products, you can set up something called an "Inactive Account Manager."

GREAT PLAINS
Trust

Our Mission

To be a premier provider of wealth management and trust services to families across generations. We shall deliver responsive, reliable, and informed service combined with a commitment to achieving the stated goals of our clients and their families. We shall, at all times, deal honestly and respectfully with all clients and associates.

Contact Us

Phone:	(913) 831-7999
Email:	info@greatplainstrust.com
Web:	www.greatplainstrust.com

Our Location

7700 Shawnee Mission Parkway, Ste 101
Overland, Park KS 66202

Atlantic Region	(843) 883-7410
South Dakota	(605) 271-5141