



ESTATE PLANNING



**Maximize the legacy you
leave to loved ones**



An estate plan is a versatile tool from which anyone can benefit.

It is the way you communicate your wishes to the loved ones you leave behind—demonstrating that you cared enough about them to spare them the burden of dealing with your unfinished business.

A well-designed estate plan can help you:

- Minimize or eliminate estate taxes at death
- Provide for orderly family business succession
- Avoid probate and probate fees
- Promote a charitable cause
- Minimize family discord
- Preserve wealth throughout generations
- Protect assets from creditors, divorces and lawsuits
- Provide for loved ones with special needs while preserving eligibility for government-sponsored programs
- Promote your values throughout generations
- Arrange for the guardianship of your minor children

Taxes and Transfer Costs

Whether you do bare bones planning by drafting a will or fail to plan altogether, you have an estate that is subject to probate administration. Your estate must be administered through the probate court located in the county of your legal residence at the time of death. The overall cost of probate will vary according to state law and will generally hinge on the size of the estate—the more you own, the more you owe.

In addition, generally the federal government imposes an estate tax on all property you pass to your loved ones upon your passing. Every asset you own at that time will be included in determining the value of your estate and any taxes due. Those who pass away in 2011 or 2012 with estates of less than \$5,000,000 will owe no estate taxes. Estates in excess of this amount will be taxed at 35%.

Furthermore, some states impose their own separate estate tax. In fact, some of these states maintain relatively low death tax exemptions. For example, in New Jersey the state estate tax exemption is \$675,000¹ and in Massachusetts it's

\$1,000,000.² In other words, depending on the state of your residence, an estate that is too small to generate federal estate tax liability may nonetheless trigger state estate taxes.

Some states impose an inheritance tax in addition to the state estate tax. Inheritance tax is imposed on the right to receive property by inheritance or legal succession. The tax imposed is based on the beneficiary's relationship to you and the amount of property received from your estate.

When it comes to estate planning, here are a few things to consider:

1. Do you have current estate planning documents? A family trust? Burial instructions? Necessary powers of attorney? Guardians selected for minors?
2. How do you want your property distributed at death?
3. Have you taken any action to reduce the amount of estate taxes that may be due at death?
4. Do you have children, parents, or other family members or dependents with special needs?
5. Have you thought about benefiting a charity, educational institution, or other nonprofit organization at your death?
6. Have you arranged your life insurance so that it will be excluded from your estate, to minimize federal estate taxes at death?

If you have not found the time to address these questions, this brochure should help you and your advisor assess your estate quickly and simply. Following this assessment, you can expect to receive suggestions from your advisor on how you can meet your estate planning objectives. These recommendations may help you keep or pass on more of your hard-earned assets.

The Bottom Line

Everyone needs an estate plan. Without a plan, taxes and transfer costs threaten to erode your hard-earned legacy.

Estate Planning Data - Part I

Client Information

PERSONAL INFORMATION

Name (*Husband*) Date of Birth Health Status

Name (*Wife*) Date of Birth Health Status

ADDRESS INFORMATION

Street (*Home*) City State ZIP Code

Street (*Business*) City State ZIP Code

Street (*Other Residence*) City State ZIP Code

Citizenship (if other is applicable, please specify)

Husband U.S. Citizen _____
 Resident Alien Non-resident Alien Country of Citizenship _____

Wife U.S. Citizen _____
 Resident Alien Non-resident Alien Country of Citizenship _____

Children

Name Date of Birth Health Status

Name Date of Birth Health Status

Name Date of Birth Health Status

Grandchildren

Name Date of Birth Health Status

Name Date of Birth Health Status

Other Dependents

Name Date of Birth Health Status

Name Date of Birth Health Status

Prior Marriage Date Former Spouse's Name(s) Date of Dissolution Court Involved Alimony Support Amount

Estate Planning Data - Part II

Life Insurance Policies

Policy 1

Issued by: _____

Name of Insured: _____

Policy Owner: _____

Face Amount: \$ _____

Cash Surrender Value: \$ _____

Annual Premium: \$ _____

Beneficiary(ies): _____ Relationship to Insured: _____

Policy 2

Issued by: _____

Name of Insured: _____

Policy Owner: _____

Face Amount: \$ _____

Cash Surrender Value: \$ _____

Annual Premium: \$ _____

Beneficiary(ies): _____ Relationship to Insured: _____

Policy 3

Issued by: _____

Name of Insured: _____

Policy Owner: _____

Face Amount: \$ _____

Cash Surrender Value: \$ _____

Annual Premium: \$ _____

Beneficiary(ies): _____ Relationship to Insured: _____

Policy 4

Issued by: _____

Name of Insured: _____

Policy Owner: _____

Face Amount: \$ _____

Cash Surrender Value: \$ _____

Annual Premium: \$ _____

Beneficiary(ies): _____ Relationship to Insured: _____

Policy 1/Face Amount: _____*

Policy 2/Face Amount: _____*

Policy 3/Face Amount: _____*

Policy 4/Face Amount: _____*

*Amount to be copied to **Total Life Insurance Face Amount** line in **PART III** (next page)

Estate Planning Data - Part III

Current Assets	Husband	Wife	Jointly Owned
Cash and Cash Equivalents such as bank accounts and CDs	_____	_____	_____
Notes, Accounts Receivable, Mortgages, and Other Receivables	_____	_____	_____
Bonds	_____	_____	_____
Stocks and Mutual Funds	_____	_____	_____
Closely Held Business Interests	_____	_____	_____
Real Estate	_____	_____	_____
Total Life Insurance Face Amounts Per Owner —copy totals from Part II here	_____	_____	_____
Includible Trusts	_____	_____	_____
Retirement Plans such as 401(k), pension, profit-sharing, ESOP, and IRA	_____	_____	_____
Miscellaneous Personal Effects such as automobiles, jewelry, collections, art, patents, trademarks, and copyrights	_____	_____	_____
TOTAL	_____	_____	_____
Current Liabilities*			
Real Estate Mortgages	_____	_____	_____
Notes to Financial Institutions	_____	_____	_____
Loans on Life Insurance Policies	_____	_____	_____
Other Obligations	_____	_____	_____
Tax Liabilities	_____	_____	_____
TOTAL	_____	_____	_____
Net Worth**			
	_____	_____	_____

*Estimate for general estate planning only.

**Totals are net of Current Assets and Current Liabilities columns.



Transamerica Life Insurance Company
Transamerica Financial Life Insurance Company

AEGON companies

OLA 821 0211

¹ Retrieved on August 5, 2009 from <http://www.state.nj.us/treasury/taxation/revesttax.shtml>, New Jersey Department of the Treasury

² Retrieved on August 6, 2009 from http://search.nystax.gov/search?q=estate+tax+exemption&site=NYSDF&ie=&site=&output=xml_no_dtd&client=NYSDF&lr=&proxystylesheet=NYSDF&filter=0&filter=0, New York Department of Taxation and Finance

This material was not intended or written to be used, and cannot be used, to avoid penalties imposed under the Internal Revenue Code. This material was written to support the promotion or marketing of the products, services, and/or concepts addressed in this material. Anyone to whom this material is promoted, marketed, or recommended should be urged to consult with and rely solely on their own independent advisors regarding their particular situation and the concepts presented here.

Transamerica Life Insurance Company, Transamerica Financial Life Insurance Company (collectively "Transamerica"), and their representatives do not give tax or legal advice. This material is provided for informational purposes only and should not be construed as tax or legal advice.

Discussions of the various planning strategies and issues are based on our understanding of the applicable federal income, gift, and estate tax laws in effect at the time of publication. However, tax laws are subject to interpretation and change, and there is no guarantee that the relevant tax authorities will accept Transamerica's interpretations. Additionally, this material does not consider the impact of applicable state laws upon clients and prospects.

Although care is taken in preparing this material and presenting it accurately, Transamerica disclaims any express or implied warranty as to the accuracy of any material contained herein and any liability with respect to it. This information is current as of February 2011.

Life insurance products are issued by Transamerica Life Insurance Company, Cedar Rapids, IA 52499, or Transamerica Financial Life Insurance Company, Harrison NY, 10528. All products may not be available in all jurisdictions.

Transamerica Financial Life Insurance Company is authorized to conduct business in New York. Transamerica Life Insurance Company is authorized to conduct business in all other states.



Transamerica Life Insurance Company
Transamerica Financial Life Insurance Company

AEGON companies