

**Course Title:** Estate Planning and Taxation

**Course Number:** Fin. 448. Room 115 College of Business

**Name of Instructor:** Banker Phares, J.D.

**Semester:** Fall, 2011

**Contact Hours:** Minimum 3 contact hours per week over 15 weeks. The course is 16 weeks long, but one week will be missed for Thanksgiving. The first class meeting is August 31<sup>st</sup>. Meetings on Thursday from 6:00 p.m. to 8:30 p.m.

**Course Level:** Upper division baccalaureate  
Pending graduate credit

Course Credit Given for Certified Financial Planner Program  
Course credit given as elective for Degree in Finance.  
If approved, Course Credit given for graduate degree.

**Course Description:**

Estate Planning and Taxation focuses on the efficient conservation and transfer of wealth, consistent with the client's goals. It is a study of the legal, tax, financial and non-financial aspects of this process, covering topics such as trusts, wills, probate, advanced directives, charitable giving, wealth transfers and related taxes.

**Course Objectives:**

Note: Effective in 2011, the tax laws governing the taxation of estates and gifts were radically changed, and are expected to stay in effect for the next two years. However, the subject is very dynamic and therefore the leading professionals must be committed to lifelong learning. The course will also emphasize non-tax aspects of estate planning. These aspects are just as – if not more important – than the impact of estate and gift taxes.

The student should be able to understand, explain, analyze and evaluate estate planning needs and taxation and recommend appropriate techniques for meeting estate planning and objectives, including:

- Determine client estate planning needs and objectives, taking into account financial and non-financial (behavioral/social/emotional) aspects of estate planning
- Understand the effects of lack of estate planning, including state laws of intestacy
- Project estate taxation and liquidity needs in various situations
- Recommend appropriate and efficient methods of wealth transfer for a client's situation, including, without limitation
  - Lifetime gifting strategies and taxation
  - Planning for minors
  - Incapacity planning
  - Planning related to tax-favored retirement assets

- Planning for non-citizen spouse
- Planning for adequate liquidity
- Planning to conserve assets and minimize expenses, including taxes
- Understand, analyze and evaluate client need for various estate documents, including, without limitation, wills, trusts, powers of appointment and medical directives
- Recommend appropriate life insurance arrangements, including, without limitation, life insurance trust planning
- Be able to explain the probate system, including its purpose and pros and cons
- Recommend appropriate titling of assets to meet estate planning and other objectives
- Understand and recommend appropriate techniques for charitable giving during life and as part of an estate plan
- Recommend estate planning techniques for traditional and non-traditional families, relationships and needs
- Recommend planning techniques for married couples, including pre-nuptial agreements and use of trusts
- Recommend planning techniques for owners of closely-held businesses and farms and ranches
- Recommend planning techniques for multi-generational planning
- Recommend techniques to mitigate post-death problems for survivors of the decedent, including pre-death planning techniques, planning for income adequacy and post-mortem planning techniques such as qualified disclaimers
- Evaluate a client's situation and available estate planning strategies and techniques to recommend an appropriate plan to meet client objectives; monitor and recommend modifications based on changing circumstances
- Evaluate possible future changes in the client's situation and legal/tax situation to provide forward-looking estate planning advice
- Learn to work appropriately with other members of the client's estate planning team

In addition to developing technical expertise in the course subject matter, this course develops and fosters:

- Communication skills, both written and oral
- Critical thinking
- Decision-making
- Team work
- Intellectual curiosity and lifelong learning

**Faculty, Office Hours and Contact Information:**

Banker Phares

Board Certified, Estate Planning and Probate

State Bar of Texas

The class instructor graduated with a Juris Doctor degree from the SMU School of Law in 1964, and was Board Certified in Estate Planning and Probate Law by the State Bar of Texas in 1976.

No specified office hours, but pleased to meet by appointment.

[banker@phareslawfirm.com](mailto:banker@phareslawfirm.com)

(936) 234-9196

**Required Textbook:**

*Estate Planning and Taxation, 14<sup>th</sup> Edition*, John C. Bost, Publisher Kendall-Hunt Publishers, [www.kendallhunt.com](http://www.kendallhunt.com)

**Other Required Materials:**

Financial calculator

**Other Recommended Material:**

- Software tools such as:  
*NumberCruncher*, Leimberg; *BNA Estate & Gift Tax Planner*, BNA Software

**Supplementary Graduate Reading:**

- *The Estate and Financial Planning Review*
- *Trusts and Estates: The Journal of Wealth Management for Estate-Planning Professionals*
- *Journal of Financial Planning*
- *Financial Services Review*
- *Journal of Financial Services Professionals*
- *Journal of Personal Finance*
- *Financial Counseling and Planning*

**Assessment Techniques:**

- Homework (primarily advance reading from text for class preparation)
- Two Exams (closed book)
- Final (closed book) The Final counts the same as an Exam; thus each Exam will count one-third of grade, and the Final will count one-third of grade. The two Exams and the Final will be averaged to produce the final class grade.
- If the course includes graduate students seeking graduate credit for the course, the graduate students will be required, in addition to the tests, to prepare two papers containing responses to factual situations involving estate planning. The graduate students will meet with the instructor to discuss the papers and defend their suggestions. For graduate students, the combined papers will constitute one-third of the overall final grade for the course.

Program learning outcomes define the knowledge, skills, and abilities students are expected to demonstrate upon completion of an academic program. These learning outcomes are

regularly assessed to determine student learning and to evaluate overall program effectiveness. You may access the program learning outcomes for your major and particular courses at <http://cobweb.sfasu.edu/plo.html>.

### **Academic Integrity**

Academic integrity is a responsibility of all university faculty and students. Faculty members promote academic integrity in multiple ways including instruction on the components of academic honesty, as well as abiding by university policy on penalties for cheating and plagiarism.

#### Definition of Academic Dishonesty

Academic dishonesty includes both cheating and plagiarism. Cheating includes but is not limited to (1) using or attempting to use unauthorized materials to aid in achieving a better grade on a component of a class; (2) the falsification or invention of any information, including citations, on an assigned exercise; and/or (3) helping or attempting to help another in an act of cheating or plagiarism. Plagiarism is presenting the words or ideas of another person as if they were your own. Examples of plagiarism are (1) submitting an assignment as if it were one's own work when, in fact, it is at least partly the work of another; (2) submitting a work that has been purchased or otherwise obtained from an Internet source or another source; and (3) incorporating the words or ideas of an author into one's paper without giving the author due credit. Please read the complete policy at [http://www.sfasu.edu/policies/academic\\_integrity.asp](http://www.sfasu.edu/policies/academic_integrity.asp).

### **Students with Disabilities**

To obtain disability related accommodations, alternate formats and/or auxiliary aids, students with disabilities must contact the Office of Disability Services (ODS), Human Services Building, and Room 325, 468-3004 / 468-1004 (TDD) as early as possible in the semester. Once verified, ODS will notify the course instructor and outline the accommodation and/or auxiliary aids to be provided. Failure to request services in a timely manner may delay your accommodations. For additional information, go to <http://www.sfasu.edu/disabilityservices/>.

### **Course Attendance**

One absence without any need for excuse. Additional absences with advance permission. Each additional absence without permission will cause of two point deduction from overall class grade.

### **Course Outline – the professor retains the right to modify this outline:**

The following outline is organized by week and requires the class to meet for at least three hours per week for 15 weeks. Each week of class is shown below, and the time on task will be three hours. Each class meeting will deal with one or more chapter in the Required Textbook. For example week 1 covers the topics “Introduction to Estate Planning,” (Chapter 1 of Required Textbook) as well as “Basic Estate Planning Concepts” (Chapter 2 of Required Textbook), and week 2 covers “Estate Planning Documents.” Week 2 will deal with “Estate Planning Documents” (Chapter 3 of Required Textbook) and “Property Transfers” (Chapter 4 of Required Textbook). The chapters from the text book pertaining to these weeks are set forth in order to allow the student to prepare for class in advance.

Class lectures will amplify the material from the Required Text. Tests and Final will be from material in Required Text.

<b>Week</b>	<b>Content; Assignment</b>	<b>Reading and Preparation</b>
1	Introduction to Estate Planning	Chapter 1
1	Basic Estate Planning Concepts	Chapter 2
2	Estate Planning Documents	Chapter 3
2	Property Transfers	Chapter 4
3	The Unified Transfer Tax	Chapter 5
3	The Estate Tax	Chapter 6
4	<u>First Test</u>	
5	The Gift Tax	Chapter 7
5	Income Tax Issues – Trusts and Estates	Chapter 8
6	Common Estate Plans – Use of Trusts	Chapter 9
7	Advanced Marital Planning	Chapter 10
8	Gift Planning Fundamentals	Chapter 11
9	Planned Lifetime Transfers	Chapter 12
10	<u>Second Test</u>	
11	Life Insurance in Estate Planning	Chapter 13
12	Planning for Closely Held Businesses	Chapter 14
13	Surrogate Decision Makers	Chapter 15
14	Post Mortem Planning	Chapter 16
	<b>Final Exam</b> – Shown on university schedule	

## **Rusche College of Business**

### **Syllabus Addendum**

#### **Program Learning Outcomes:**

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#### **General Student Policies:**

##### **Academic Integrity (A-9.1)**

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Definition of Academic Dishonesty Academic dishonesty includes both cheating and plagiarism. Cheating includes but is not limited to (1) using or attempting to use unauthorized materials to aid in achieving a better grade on a component of a class; (2) the falsification or invention of any information, including citations, on an assigned exercise; and/or (3) helping or attempting to help another in an act of cheating or plagiarism.

Plagiarism is presenting the words or ideas of another person as if they were your own. Examples of plagiarism are (1) submitting an assignment as if it were one's own work when, in fact, it is at least partly the work of another; (2) submitting a work that has been purchased or otherwise obtained from an Internet source or another source; and (3) incorporating the words or ideas of an author into one's paper without giving the author due credit. Please read the complete policy at [http://www.sfasu.edu/policies/academic\\_integrity.asp](http://www.sfasu.edu/policies/academic_integrity.asp).

##### **Withheld Grades Semester Grades Policy (A-54)**

Ordinarily, at the discretion of the instructor of record and with the approval of the academic chair/director, a grade of WH will be assigned only if the student cannot complete the course work because of unavoidable circumstances. Students must complete the work within one calendar year from the end of the semester in which they receive a WH, or the grade automatically becomes an F. If students register for the same course in future terms the WH will automatically become an F and will be counted as a repeated course for the purpose of computing the grade point average.

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##### **Acceptable Student Behavior**

Classroom behavior should not interfere with the instructor's ability to conduct the class or the ability of other students to learn from the instructional program (see the Student Conduct Code, policy D-34.1). Unacceptable or disruptive behavior will not be tolerated. Students who disrupt the learning environment may be asked to leave class and may be subject to judicial, academic, or other penalties. This prohibition applies to all instructional forums, including electronic, classroom, labs, discussion groups, field trips, etc. The instructor shall have full discretion over what behavior is appropriate/inappropriate in the classroom. Students who do not attend class regularly or who perform poorly on class projects/exams may be referred to the Early Alert Program. This program provides students with recommendations for resources or other assistance that is available to help SFA students succeed.