



Feature SPOTLIGHT

Estate Planning Tools (EPT) (Desktop) - *version 2021.00*

Brentmark, Inc. is excited to announce the release of Estate Planning Tools (EPT) version 2021.00 with many new updates and feature refinements.

Version 2021.00 (Released 12/15/2020)

- Special Use model – updated for 2020 Capitalization Rates released 9/2020 (Rev. Rul 2020-17).
- §6166 model – Updated the 2% Amount for 2021.
- Estate tax exclusion for 2021 (\$11.7M) impacts the following models:
 - Estate model
 - Project model
 - Interrelated model
 - Bypass model
 - Net Gift model
 - Prior Gifts model
 - Project model
 - Marital Deduction model
 - Cash Needs model
 - Confiscate model
- Annual Exclusion model: amount updated for 2021 (\$15,000).
- Income tax adjustments for 2021 impact the following models:
 - Corp Tax model
 - Indiv Tax model
 - Income Shift model
 - §199A models
 - C vs Pass
 - C vs S
 - W2 vs IC
- Section 199A models: updated the thresholds for 2021.
- IRMAA model: updated to include the 2021 Part B and D thresholds and deductibles.
- Help Topics have been modified to reflect changes from the 2021 adjustments.
- CRUT model: The Present Value of Succeeding Noncharitable Interest was not linked to the first age input (Grantor) as the help file suggests. This has been fixed.
- Economic Schedules for CRAT, CRUT, CLAT, CLUT: For a single life case, where the age is based off 108 or 109, the duration of the schedule is based off the truncated life expectancy. For these ages, the truncated life expectancy was 0, which resulted in the schedule duration not to be updated.
- GRAT Model: Vary Annuity Payments, with a 20% constant growth, the schedule could report \$0.01 over the 20% threshold (message on screen appeared). This has been modified to truncate when this happens. For 2020.02, we changed the way CONSTANT variable Payouts calculated. This change,

unfortunately, bypassed how the Non-constant variable payouts were handled. This has been resolved. In addition, we added an input to allow for Payout Percentage to use 5 digits (like versions of the software before 2020.02). The default behavior is based on FMV, which will yield the gift closest to \$0 when optimizing.

- CLAT Model: Single life calculations, the Present Value of Annuity Limited by §7520 Regs was incorrect in 2020.xx versions. Version 2020.00 introduced a new economic schedule option, and that option inadvertently assigned a second age to that calculation. For 2020.02, we changed the way CONSTANT variable Payouts occur, based on a formula passed along by a peer. This change, unfortunately, bypassed how the Non-constant variable payouts were handled, this was also fixed.
- Estate Model: If state selected is MA, and a value is entered for the out of state (or state adjustment), a help button appears giving details on the Dassori v. Commission case, and lets users know to use the State Adjustment (as negative) field to apply that decision. States that allow DSUE to be included, now have a separate input based on the spouse's death year. Currently, this is for HI and MD only.
- Net Gift: When a prior taxable gifts amount was entered, and unified credit used by prior gifts was entered, the calculation resulted in a circular calculation (freeze).
- State Death Tax Manager: MD's changes required a new field to be added to the data map. Its specifically for calculating the tax with the Maximum Rate.