

A ONE-DAY MASTERCLASS

Tax Aspects of Estate Planning

Wednesday 25 March 2020
Radisson Hotel & Suites, Sydney

- Testamentary trusts – the good, the bad and the ugly
- The long shadow of unpaid present entitlements in the estate plan
- Keeping the funds in super through reversionary pensions
- Making the most of buy-sell agreements
- Effective restructure of a family trust
- Disposal of the family business after death



The professional development specialists

Morning Theme: Tax and the Estate Planning Toolbox

9.00 – 9.05am	Introduction and welcome Chair: Mike Fitzpatrick, Solicitor & Notary Public, Clarendene, Sydney
9.05 – 9.55am	Session 1: Testamentary Trusts: The Good, the Bad and the Ugly Testamentary trusts provide a greater level of control over the management and distribution of assets to beneficiaries, but also bring with them complexity, inflexibility and ongoing cost. This session will look at the requirements of these trusts and the key considerations for determining their relevance to your client, including: <ul style="list-style-type: none">• When to recommend a testamentary trust to a client and why• Types of testamentary trust and relevant circumstances for each• Multiple and umbrella trust structures - protecting the next generations and vesting issues• Trust creation - powers, restrictions, conditions, asset allocation and other essentials• Recent integrity measures for concessional tax arrangements - what they mean for your client <i>Speaker: Patrick Huang, Senior Associate, Coleman Greig Lawyers, Sydney</i>
9.55 – 10.05am	Questions and Discussion
10.05 – 10.55am	Session 2: The Long Shadow of Unpaid Present Entitlements in the Estate Plan An increasing number of private family groups have unpaid present entitlements sitting in the group with no strategy in place as to how to eliminate the liability. This session considers how unpaid present entitlements can impact on estate planning, including exploration of: <ul style="list-style-type: none">• How do unpaid present entitlements arise?• Forgiveness of unpaid present entitlements:<ul style="list-style-type: none">○ Does forgiveness of an unpaid present entitlement in the will constitute a specific gift for the purposes of family provision claims?○ Are there any tax consequences triggered on forgiveness of an unpaid present entitlement?• Managing unpaid present entitlements in bucket companies:<ul style="list-style-type: none">○ Pre versus post-16 December 2009 unpaid present entitlement position○ What happens when the trust vests?• Impact of unpaid present entitlements on value of the estate <i>Speaker: Peter Kramer, Senior Associate, Bartier Perry Lawyers, Sydney</i>
10.55 – 11.05am	Questions and Discussion



11.05 – 11.25am	Networking Break and Morning Tea
11.25am-12.15pm	Session 3: Keeping the Funds in Superannuation Through Reversionary Pensions As the superannuation rules tighten, reversionary pensions have become more prevalent and their effective use is in the spotlight. This session explores the effective use of reversionary pensions and considers: <ul style="list-style-type: none">• Comparison between a reversionary and non-reversionary pension<ul style="list-style-type: none">○ Are minimum pension payments required?○ How does the pension affect the transfer balance account?○ Does the pension tax exemption continue to apply?• Getting reversionary pensions right:<ul style="list-style-type: none">○ Are the pension terms consistent with the trust deed?○ Are there restrictions on how the reversionary recipient can deal with the pension?○ Ways to manage the transfer balance cap - creating part-reversionary pensions? <i>Speaker: Graeme Colley, Executive Manager, SMSF Technical & Private Wealth, SuperConcepts, Sydney</i>
12.15 – 12.25pm	Questions and Discussion
12.25 – 1.25pm	Luncheon



Afternoon Theme: Tax Issues in Business Succession Planning

12.25 – 1.25pm	Luncheon
1.25 – 1.30 pm	Introduction and welcome Chair: Mike Fitzpatrick, Solicitor & Notary Public, Clarendene, Sydney
1.30 – 2.20pm	Session 4: Making the Most of Buy-Sell Agreements Buy-sell agreements can help business owners lay out clear and well-organised exit plans in the event of the death, TPD or other loss of capacity of co-owners. This session looks at the following: funding, ownership structures and design decisions through a tax lens: <ul style="list-style-type: none">• Insurance funding - considerations regarding the ownership structure:<ul style="list-style-type: none">○ ATOID 2015/10○ is there potential breach of SIS Act?○ can there be FBT where funded through business?• Potential application of market value substitution rules on business transfer• Funding through survivorship and payment plan• Application of small business concession rules - mopping up within 2 years <i>Speaker: Laura Spencer, Senior Associate, Sladen Legal, Melbourne</i>
2.20 - 2.30pm	Questions and Discussion
2.30 – 3.20pm	Session 5: Effective Restructure of a Family Trust Although a business may often commence in a family trust structure, this may not be ideal when parties are reviewing their estate plan and considering how it will pass onto the next generation. This session uses a case study to consider options for effective restructure of a family business held in a discretionary trust structure, including: <ul style="list-style-type: none">• What factors need to be considered when determining the optimal structure?• Provisions for new parties:<ul style="list-style-type: none">○ is the structure appropriate○ what are the terms of buying in○ what consideration has been given?○ what is the funding mechanism for the buy in? If a loan, what happens if the plan goes pear-shaped?• What are the pros and cons of different structures?• Are the Division 122-A rollover or the small business rollover available? <i>Speaker: Raymond Lim, Solicitor-Director, TEP Legal, Sydney</i>
3.20 – 3.30pm	Questions and Discussion
3.30 – 3.50pm	Networking Break and Afternoon Tea



3.50 – 4.40pm

Session 6: Disposal of the Family Business After Death

There are a range of tax concessions which may apply to reduce tax from the sale of small businesses. However, these have conditions which can be challenging to meet where the business isn't divested until after the business owner dies. This is a practical session that steps through the tax issues which arise when selling a family business after death. It includes:

- Disposal within the deadline to fall within small business CGT concessions:
 - what issues need to be worked through?
 - when will the Commissioner exercise his discretion to extend the time available?
 - determining value for the purposes of the CGT concessions
- Where does value sit? The importance of reviewing the company constitution in relation to special classes of shares
- Granting options over estate assets
- Changing control not ownership - is this effective?
- Maintaining pre-CGT character of assets - how to maintain structure but accommodate the goals of the next generation
- Managing family trust elections made at the parent level - interposed family trusts and distributions out to entities at the next generation's level

Speaker: Phillip McGowan, Partner, McCullough Robertson Lawyers, Sydney

4.40 – 4.50pm

Questions and Discussion

4.50pm

Conference Close



GENERAL INFORMATION

Masterclass Registration Fee

The registration fee includes attendance at the masterclass, online access to the conference papers and refreshment breaks and lunch.

This masterclass can be booked as 2 separate half day conferences or you can attend for the whole day.

Masterclass Papers

TEN no longer provides printed copies of conference papers at its events. Access to the papers will be available online to all delegates in the lead-up to the masterclass (as the papers become available), during the masterclass and for 30 days after the conference. The papers will be available in .pdf format for easy download to your local computer or portable device.

At the masterclass TEN will supply printed copies of the PowerPoint presentations used at the masterclass.

CPD – Accountants/Lawyers

One day masterclass: 6 CPD/Training hours – 6 units (substantive law)

Either half day masterclass: 3 CPD/Training hours – 3 units (substantive law)

CPD Certificate

All delegates will receive a CPD certificate confirming registration and the CPD hours applicable

The Masterclass Venue

Radisson Hotel & Suites

72 Liverpool Street, Sydney

Web: <https://www.radisson.com/sydney-hotel-ns-2000/ausydney>

Masterclass Dress

Smart casual attire is suitable. *(note: the temperature in the conference room varies depending on where you are sitting. Light attire is generally OK, but it is advisable that you bring a jacket/long sleeved top in case you need it.)*

Cancellation Policy

Cancellations must be received in writing at least 10 days prior to the masterclass for a 85% refund. Substitute delegates accepted at any time.

Masterclass Terms

Program subject to change without notice. The information and views presented in the masterclass are not necessarily those of TEN and participants rely on these at their own risk. TEN is not responsible for any financial or other losses incurred by delegates or for injury or damage to persons or property. TEN's maximum liability for masterclass cancellation or any other loss or liability is the refund of the registration fee paid.

TEN is not responsible for financial loss incurred by you as a result of the cancellation or postponement of the masterclass as a result of strikes, natural disasters, and other Acts of God such as volcanic ash clouds in Australian airspace. We therefore strongly advise you to take out travel insurance if your attendance plans involve air travel or other significant travel to the conference venue.



Registration 1 of 2

REGISTRATION IS SIMPLE: complete the form below and fax or post your registration to us or register online.

Television Education Network Pty Ltd (ABN 19 052 319 365)

Mail: GPO Box 61, Melbourne, Victoria 3001 **Fax** (03) 9670 0588 **Phone** (03) 9670 2055

Enquiries: Contact our Event Manager, Jenna Pickrell (jenna@tved.net.au)

Register online: www.tved.net.au – go to Masterclasses

Please register me for **Tax Aspects of Estate Planning: One Day Masterclass** to be held on **Wednesday 25 March 2020**
[conf code: SXAMAR20]

Early Bird Registration – for registrations paid on or before Friday 28 February 2020 - \$880 (\$800 + \$80 GST)

Full Price Registration – \$990 (\$900 + \$90 GST)

Please register me for the morning masterclass – **Tax and the Estate Planning Toolbox** to be held on the morning of
Wednesday 25 March 2020. [conf code: SXAMAR20M]

Early Bird Registration – for registrations paid on or before Friday 28 February 2020 - \$440 (\$400 + \$40 GST)

Full Price Registration – \$495 (\$450 + \$45 GST)

Please register me for the afternoon masterclass – **Tax Issues in Business Succession Planning** to be held on the
afternoon of Wednesday 25 March 2020. [conf code: SXAMAR20A]

Early Bird Registration – for registrations paid on or before Friday 28 February 2020 - \$440 (\$400 + \$40 GST)

Full Price Registration – \$495 (\$450 + \$45 GST)

Can't Attend – Purchase the Masterclass Papers

The papers from this masterclass will be available in electronic form only approximately 1 week after the masterclass has been held. You can pre-order the papers now online via our website at www.tved.net.au [go to Conference Papers]. The papers are \$165 (\$150 + \$15 GST) [Code: PSXAMAR20].



Registration 2 of 2

NAME & ADDRESS DETAILS

Mr/Mrs/Miss/Ms (circle appropriate) Name:
Position in Company/Firm:
Company/Firm:
Postal Address:
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PAYMENT DETAILS (Note: This form will be a Tax Invoice for GST when you make payment)

I enclose a cheque for \$..... payable to: **Television Education Network Pty Ltd** or

Please debit my: **Amex** **Mastercard** **Visa**

Expiry Date/.....

Name on Card: _____ Signature: _____

