COURSE NAME: Estate Planning and Drafting

COURSE NUMBER: 8614

PROFESSOR: Hanna

ESSENTIAL PREREQUISITE(S): Estates and Trusts

DESIRABLE PREREQUISITE(S): None, except that having had Federal Income Tax or Income Taxation of Trusts and Estates makes portions of the course easier.

COURSE BOOK(S):

1. Required:


2. Recommended:

   Manual and materials on drafting wills and trusts.

METHOD OF GRADING AND APPRAISAL OF STUDENT FOR GRADE:

Students will earn a letter grade based on:

   Final Examination (50%)
   Representing clients (50%)
   Outstanding classroom participation (extra credit)

SUMMARY DESCRIPTION OF COURSE:

This clinical course applies the knowledge of Estates and Trusts to the process of gathering, evaluating, planning, drafting and executing an estate plan in a non-tax situation. In addition to covering the textual materials relevant to the subject, students will draft and review various estate planning documents for real clients in supervised representation. Emphasis is placed on entry-level estate planning and drafting for “average” clients who have no Federal estate tax potential.
COURSE CONTENT:

To the extent that time permits, we will cover the following subjects.

I. An Overview of Estate Planning
   A. Introduction
   B. The Estate-Planning Process
   C. Lawyers’ Fees and Estate Planning

II. Basic Transfer Tax Laws and Estate-Planning Strategies (summary review)
   A. Introduction
   B. Unified Transfer Tax System
   C. Federal Gift Tax Highlights
   D. Federal Estate Tax Highlights
   E. Generation-Skipping Tax
   F. Basic Lifetime Estate-Planning Tax Strategies

III. Concurrent Ownership and Estate Planning
    A. Introduction
    B. Tenancy in Common
    C. Joint Tenancy and Tenancy by the Entirety
    D. Community Property

IV. Wills and Related Documents
    A. Introduction
    B. Organization and Content of Wills
    C. Additional Documents

V. The Gift and Estate Tax Marital Deductions
    A. Introduction
    B. Details of the Marital Deduction
    C. Planning for Use of the Marital Deduction
    D. The Gift Tax Marital Deduction
    E. Expressing a Marital Deduction Gift -- Formula and Nonformula Gifts

VI. Life Insurance
    A. Introduction
    B. Estate Taxation of Life Insurance
    C. Gift Taxation of Life Insurance
    D. Income Taxation of Life Insurance
    E. Special Types of Life Insurance
    F. Planning with Life Insurance
VII. Planning Lifetime Noncharitable Gifts  
A. Introduction  
B. Local Property Law  
C. Tax Factors Involved in Selecting Property to Give  
D. Specialized Gift Techniques  
E. Gifts to Minors

VIII. Trusts  
A. Introduction  
B. The Revocable Trust  
C. Planning the Grantor's Interest in an Irrevocable Trust

IX. Closely Held Business Interests  
A. Introduction  
B. Buy-Sell Agreements  
C. Recapitalizations  
D. Redemptions under §303  
E. Partnership Freezes  
F. Deferral of Estate Tax under §6166

X. Post-Mortem Planning  
A. Introduction  
B. Income Tax  
C. Estate Tax and Income Tax Deductions  
D. Estate Tax  
E. Reordering the Distribution of Property  
F. Planning Estate Distributions  
G. Payment of Estate Tax

RELEVANCY OF COURSE FOR CAREER PURPOSES:  
Students are taught how to prepare for and meet with clients, gather relevant information, plan an estate, and execute the documents. They are alerted to the many opportunities for errors, oversights and malpractice. Students draft and review several estate planning documents just as they would as practicing attorneys. Since we have 20-30 clients each year, we usually get a wide spectrum of the kinds of non-tax practice problems that are encountered by estate planning lawyers.

RELEVANCY OF COURSE FOR MISSOURI BAR EXAM PREPARATION:  
This course provides hands-on experience with "living" Bar Exam questions. Each year students express surprise at how little they really know about the practical application of the academic knowledge of the process of planning an estate. This course forces recognition of the importance of understanding as well as knowing the law. It approaches the discipline of Bar Review from a lawyer's, rather than a student's perspective and, coming as it does for many students in their final year of law school, provides a valuable Bar review of materials covered a year or two previously in Estates and Trusts.