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*Sherwood Investment Services*  
Financial Planning & Investment Management

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*The Savvy Investor*  
**Do You Have an Estate Tax Problem?**

If you don't like wasting money on taxes and don't want your kids squandering money either, then please answer these questions:

**1. Are you worth more than \$1,000,000?**

If so, your estate is taxable. The good news is that if you wait until 2010 to die, your estate taxes are reduced to zero, regardless of the size of your estate. However, in 2011 your estate will again be taxed if it exceeds \$1 million, the same as in 2002. Congress can change this number at any time. All you do know is that right now you can shelter \$1 million.

**2. Do you have any assets that could be double-taxed at your death?**

These are assets that will be hit with both income taxes and estate taxes, consuming 70% of the estate value. These include IRAs and annuities.

**3. Do you think that your attorney will call you when you need to take action?**

They won't. You have to be proactive.

**4. Do you think you have plenty of time to take care of any estate tax problem?**

The people who perished on 9/11/01 didn't go to work that day planning to die and didn't have time.

**5. Do you incorrectly think that estate planning means giving up control of assets or making gifts or giving to charity?**

With good estate planning, you can keep total control of assets **and** still remove them from your taxable estate.

**6. Do you believe that a will or revocable living trust can eliminate your estate taxes?**

They won't.

**7. Do you think that you need to die in order to get your \$1 million exemption?**

You don't. It's available right now and many wealthy people **use** their exemptions when they can make the most of them, during their lifetimes.

***Did you answer "yes" to any of the above? If so, you may have an estate tax problem. The good news is that this problem can be corrected. Visit our web site [www.Sherwood-Investments.com](http://www.Sherwood-Investments.com) or contact us for additional information.***