

## **CONTRACT TRUST CALL #127**

**August 14, 2021**

# **RECORD**

**DISCLAIMER** Hello Everyone. Today is Saturday, August 14, 2021. Welcome to our Contract Trust Conference Call. We are not accountants, tax professionals, lawyers or currency dealers. We are not engaged in rendering legal, tax, accounting or other professional advice. Should you require those services, you should retain competent advice from a professional in that field.

**WELCOME** Thanks for joining us today. We are Indicator Information Institute. My name is Carol Werelius and my partner Jim Knox and I have these calls every 2<sup>nd</sup> and 4<sup>th</sup> Saturday of the month. These calls are recorded and available on our website, [www.indicatorinformation.com](http://www.indicatorinformation.com), [iqdcalls.com](http://iqdcalls.com) and YouTube. As we get closer and closer to our expected exchange, we thought this would be a good time to review our Common Law Contract Trust, and why we think it is the best vehicle for you to protect your assets. As always, your questions are welcome. \*6 to raise your hand.

1. Over the years we have found that people contemplating the use of a trust have 2 big concerns; taxation and asset protection. In some respects, they go hand in hand. While we make no claims about significantly reducing your income taxes, the use of our Trust totally prevents inheritance and estate taxes, more commonly known as “death taxes”, thus protecting the assets.
2. While we try to stay out of politics, something has recently come up that deserves attention. President Trump repealed the death tax in the 2017 Tax Cuts and Jobs Act. The president focused on the effect on farmers of reduction of regulatory burdens and change in the estate tax under the new tax law.

3. President Biden has proposed amending the inheritance tax, also known as the “death tax,” but farmers around the country are raising concerns about the plan. Under Biden's change, heirs would be forced to pay taxes on the appreciation of the assets.
4. Despite President Biden claiming that his tax changes would only affect those who “fly their own jet planes” and have “two or three homes” and “will not affect you” this will not be the case for people with appreciated assets, particularly older individuals who have owned assets for many years.
5. The tax change is targeted at wealthy heirs receiving their parents' fortunes. Generational farmers, though, say the repeal of this provision will leave them with a hefty tax when their parents pass away and hand down the family farm. When it comes to passing down a family farm to a niece or a nephew, the tax liability can result in selling the whole farm or significant pieces of the farm off simply to pay the tax bill.
6. Enter the Common Law Contract Business Trust. Bruce Ripley, one of my mentors, was very proud of the fact that during the time he and his former partner were promoting these Trusts, they saved, in his words, “countless family farms from the dreaded death tax.” Losing a parent is hard enough to deal with, let alone facing the loss of the family farm to taxes.
7. Those of us who have speculated on the revaluation of foreign currency are likely to pass on generational wealth for their families. By exchanging your assets into the Trust, you transfer the OWNERSHIP of those assets to the Trust. Thus, even after the death of the original Exchangers /Trustees, the value of the assets stays with the Trust, thus no death taxes are incurred and the assets are protected.
8. There are many different trusts being marketed today. Some obviously, are better than others. Some are designed for a specific reason, like passing on a treasured family relic. Those trusts are great at spelling out who gets what, and when they get it. Unfortunately, most of those trusts are revocable, and likely to be included in one’s estate at death. Not much asset protection there.

9. The beauty of our irrevocable Trust is that it provides superior asset protection while totally eliminating any possible death tax complications.
10. The Common Law Contract Business Trust also allows you to be your own Trustee. You exchanged your assets into the Trust, hence you no longer own them. Who better to manage those assets than the former owner? You get to choose your spouse as 2<sup>nd</sup> Trustee, if you like.
11. You can name your adult children as Successor Trustees. Upon the death of the original Trustees, the management of the Trust lies with the Successor Trustees. You died, we all will, but the Trust does not.
12. The Trust has a limited life of 25 years but can be renewed every 25 years, as the then current Trustees see fit.
13. This type of Trust has been widely used by the wealthy for hundreds of years. Most of us “ordinary people”, were never let in on the secrets of maintaining wealth through the generations. I believe it was David Rockefeller who said the secret of wealth is not ownership but management.
14. Jim, as well as my late husband Jay and I, have always been proud to market such a valuable tool and bring it to everyday people. We have aimed to make it affordable and easy to use. Our members website has a plethora of information on operating the Trust. We do our best to keep you informed and to answer any questions you may have.

Jim, what would you like to add?

Thanks to all of you for your time and attention. My name is Carol Werelius. My number is 877-333-5018. I am available between 10 and 6 Eastern time. The best way to reach me is by email. [info@indicatorinformation.com](mailto:info@indicatorinformation.com). Have happy and safe weekend! Go RV!