



ED SLOTT'S IRA ADVISOR

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TAX & ESTATE PLANNING FOR YOUR RETIREMENT SAVINGS

"If you want, we can talk to your cousin Brian about the estate planning."

— Tony Soprano

Even Tony Soprano realizes the importance of estate planning. For the few of you who have never heard of Tony Soprano, he is the central character of HBO's celebrated dramatic series about a fictional organized crime boss and his tempestuous life with his personal and criminal families. Last season *The Sopranos* featured a running subplot that concerned estate and financial planning. Tony's estate plan consisted solely of burying money in the floors, in a backyard pail of birdseed, and anywhere else he could think of. Don't laugh. Most folks don't have a much better plan than that.

So what's the latest on your estate plan? This month's feature article, *"New For 2004: Increases in IRA and Estate Tax Provisions,"* shows why it pays more than ever to take advantage of the 2004 tax law changes.

This month's guest expert is Bruce D. Steiner, Esq., of Kleinberg, Kaplan, Wolff & Cohen in New York City. His article on page 6, *"Estate Tax*

Changes Affecting IRA Owners," keeps with our theme of new estate planning moves that should be addressed, particularly considering the fact that one-third of the states have "decoupled" from the federal estate tax system.

In response to the 2001 Tax Act (which set in motion the increases in the federal estate tax exemption, plus



the temporary repeal of the U.S. estate tax), several states have "decoupled," meaning they will no longer be tied to the federal estate tax system. Under the former system, your estate would receive a credit for any state death tax paid. But the 2001 Tax Act phases out this credit, thereby leaving the states high and dry, without their state estate tax revenues. Many states have since decoupled to guarantee they don't get cut out of your will.

For more IRA information, visit our Web site at www.ira-help.com.

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— Ed Slott

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