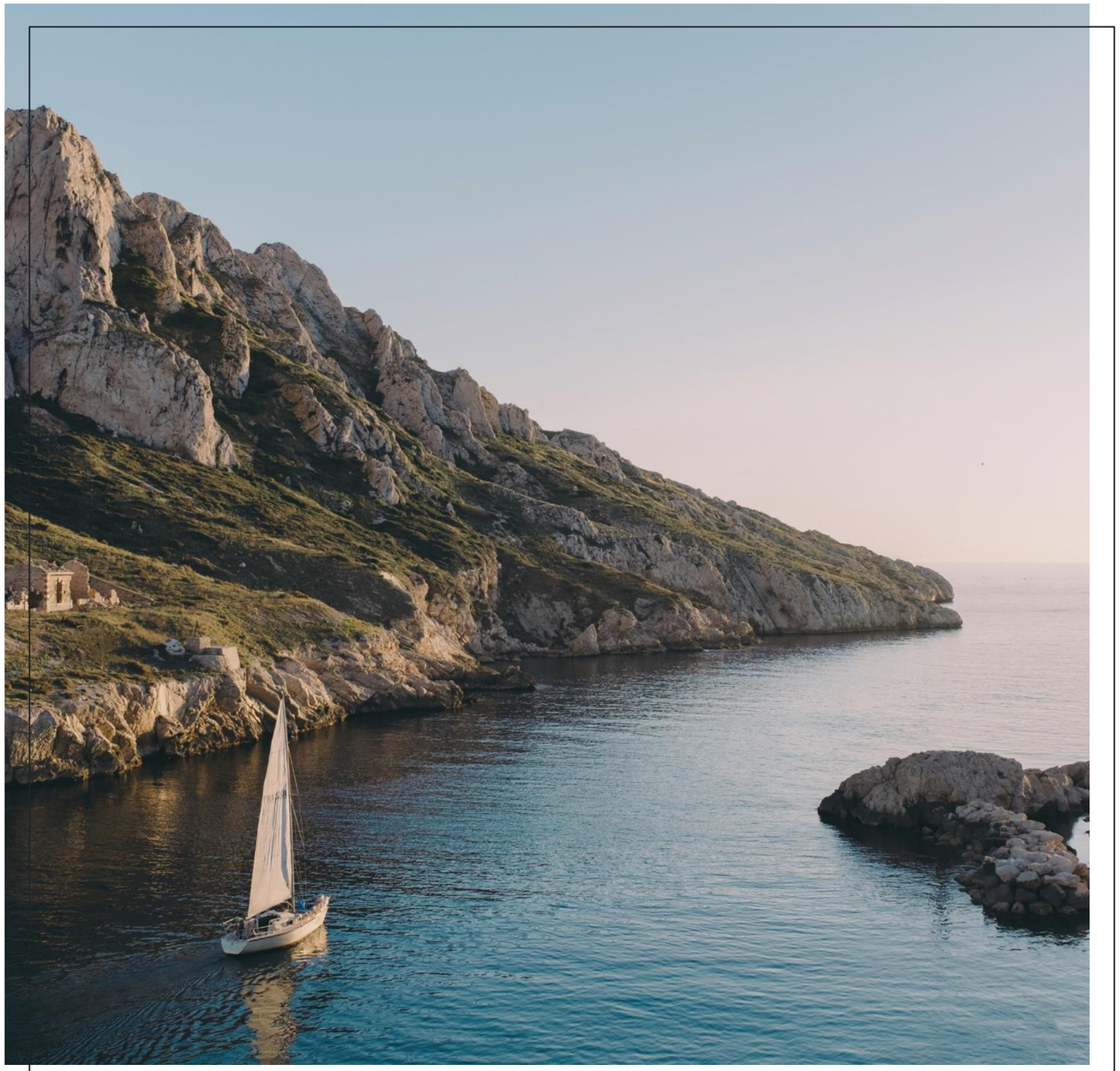

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From the Code to the Cloud: Current Developments in Estate Planning

October 2026



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Important Disclosures

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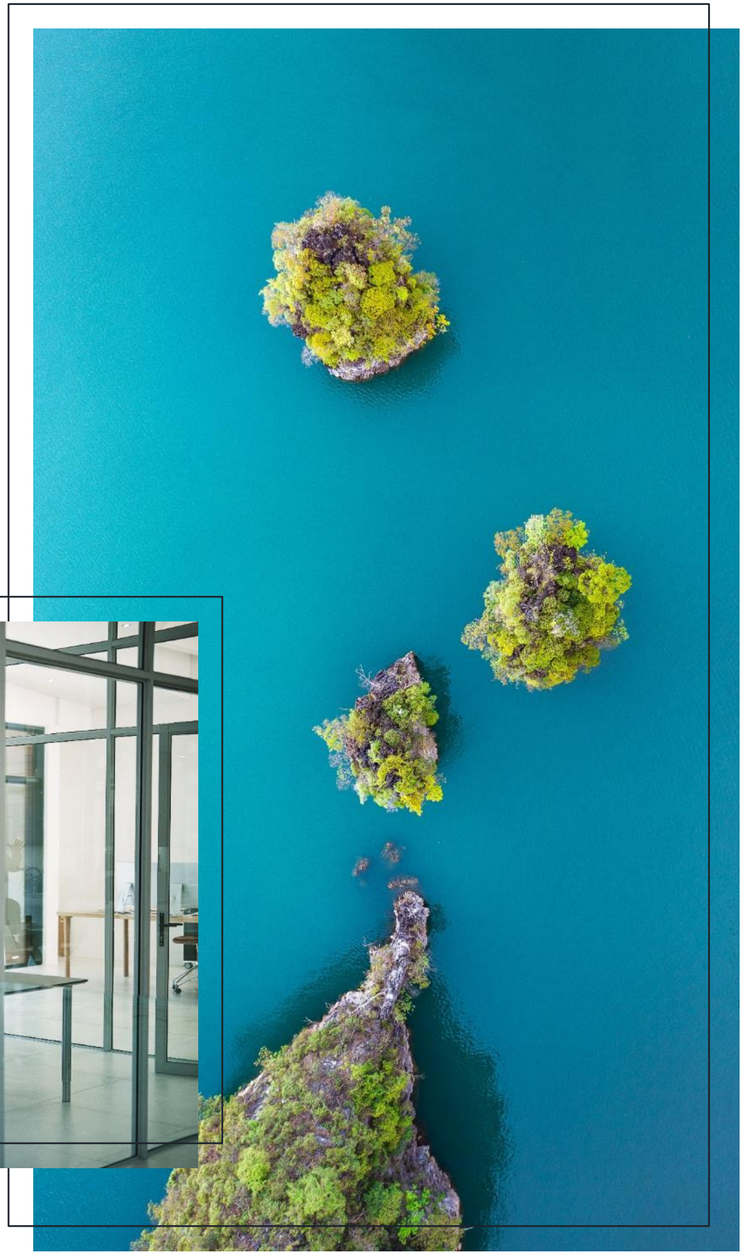
Case Law Update

GRATs, QTIP Trusts & Planning Precision





Elcan: the IRS says grantor notes cannot satisfy GRAT annuities

1. **The IRS Challenge**
   The IRS argues that using grantor promissory notes to satisfy GRAT annuity payments — used to substitute for trust assets — violates the requirements for a qualified annuity interest, causing the GRAT to fail (a la *Atkinson)*.

2. **Since When is a Note from the GRAT Not a Payment?**
   Reg. §25.2702-3(d)(6) requires the governing instrument to prohibit the use of notes to satisfy the GRAT's annuity obligation for any GRAT created on or after September 20, 1999, to be a qualified annuity interest under 2702.

3. **The Consequence**
   If the Tax Court agrees to extend this Reg to a grantor note, the GRAT will fail as a qualified annuity trust and the entire initial transfer is recharacterized as a taxable gift — not self-leveling, but fully taxable.

4. **Planning Takeaway**
   Annuity payments should be made in cash, marketable securities, or assets other than grantor notes. Review existing GRATs where notes were used to substitute for trust assets and plan to repay sufficient to satisfy annuity payments.

Satisfy GRAT annuities with assets other than grantor notes. In *Elcan*, getting this wrong means gift tax on the entire funding.

Source: Elcan v. Commissioner | Glenmede Wealth Strategy

Fields: §2036 inclusion of an FLP formed under a POA

1. **The Fact Pattern**
   A great-nephew, acting under a durable POA for his 90+-year-old great-aunt, formed an FLP in May 2016 and funded it with $17MM; she died in June and the estate claimed a 36% discount.

2. **No Bona Fide Sale**
   A transfer escapes §2036 only through a bona fide sale serving a substantial nontax purpose; none of her assets needed active management, so full date-of-death values were includible.

3. **Three Nontax Reasons, All Rejected**
   POA succession, consolidated management, and elder-abuse protection were all rejected as after-the-fact justifications never acted on when the concerns arose.

4. **Planning Takeaway**
   Entity formation under a POA close to death invites §2036 scrutiny; nontax reasons must be real motivations acted on at the time.

An FLP funded weeks before death by an agent under a POA, with no active-management rationale, invites full inclusion.

Source: Estate of Anne Milner Fields v. Commissioner (5th Cir., filed June 8, 2026; no reporter citation available) | Glenmede Wealth Strategy

Amplatz: valued at zero, sold for $15 million eight months later

1. **The Valuation Swing**
   The estate reported the decedent's units in a pre-revenue medical device company at zero and related notes at $1 million; eight months later the company sold for $15 million.

2. **Section 7517 Has No Teeth**
   The estate asked the IRS under §7517 to explain its valuation within 45 days; the IRS missed the window, and the court found the statute carries no enforcement mechanism.

3. **The Penalty Defense Stumbled**
   Reliance on an independent appraisal supports reasonable cause under §6662 only if the appraiser had full facts — here, whether pending sale talks were disclosed remained a triable issue.

4. **Planning Takeaway**
   Don't count on §7517 in a valuation dispute, and confirm the appraiser saw everything relevant near the valuation date, including deal talks in progress.

A pre-revenue company valued at zero just before a $15 million sale is the fact pattern the IRS looks for — full disclosure to your appraiser is the defense.

Source: Estate of Kurt A. Amplatz v. Commissioner, T.C. Memo. 2026-35 (April 23, 2026) | Glenmede Wealth Strategy

QTIP Trust Terminations – Gift Tax Consequences

Dual Analysis Required: §2519 (Spouse) and §2511 (Remaindermen)

Estate of Anenberg (Tax Court 2024)	*McDougall v. Comm.* (Tax Court 2024)
Blended family; QTIP trust terminated via NJSA; all assets distributed to spouse	QTIP terminated by NJSA
Spouse then gifted/sold to/for remainder beneficiaries	Remainder beneficiaries relinquished interests
IRS asserted §2519	Assets distributed to spouse
Holding: No taxable gift	Holding: Beneficiaries made taxable gifts
No gratuitous transfer	Valuable future interests surrendered
In fact, court noted she got more as a result of the settlement	Follow-on ruling (7/20/26): gift valued at $35.14M/child — state law, not §7520 tables, governs (next slide)

Run both §2519 and §2511 analyses before terminating a QTIP — the spouse may owe nothing while remaindermen do.

Source: U.S. Tax Court | Estate of Anenberg (2024); McDougall v. Commissioner, 163 T.C. 112 (2024); Lewis v. Commissioner, T.C. Memo. 2026-58 (2026)

Lewis (McDougall, Round Two): Valuing the Kids' Surrendered Remainders

$35.14M
Taxable gift found for each child, Linda and Peter

÷ 1.4
Net gift divisor for the avoided §2207A reimbursement

7/20/26
T.C. Memo. 2026-58 resolves the valuation left open in 2024

1 **State Law, Not §7520, Governs**
The court valued what the children gave up under the governing state's law of wills and trusts, not the federal actuarial tables — rejecting the IRS's argument that §7520 controlled.

2 **Net Gift Treatment Reduces Value**
Each child avoided reimbursing Bruce for the gift tax he would have owed under §2207A(b) — the court treated this like a standard net gift, dividing the raw remainder value by 1.4 (result was gift no more than the conceded value).

3 **Standard Life Tables Prevail**
The court refused to shave five years off the 85-year-old father's life expectancy age for high income and reported good health — informal, non-actuarial evidence could not displace the standard tables.

Terminating a QTIP trust means valuing what remainder beneficiaries actually give up under the governing will or trust — not a mechanical run through the §7520 tables.

Source: Lewis v. Commissioner and McDougall v. Commissioner (consolidated, one docket per child), T.C. Memo. 2026-58 (July 20, 2026) | Glenmede Wealth Strategy | July 2026

PLR 202509010 Treated GST Trust Commutation as a Sale

Proposed payout via NJSA of grandfathered GST annuity trust to beneficiaries and remaindermen per actuarial interests. Good news - no shift of beneficial interest and no deemed gift. Bad news - treated as a sale. Silver lining - recognized as long-term capital gain.

Current Beneficiary (Life Annuitant)

Amount Realized

FMV of the payout received for the life annuity interest

Basis

Disregarded — §1001(e) denies basis on the sale of a life interest

Tax Treatment

Entire amount received is long-term capital gain

Current Remaindermen (Deemed Purchasers)

Amounts Received

Treated as buying the other beneficiaries' interests; no tax on the share they already held

Amounts Paid Out

Recognize gain or loss on trust property exchanged for the interests purchased

Successor (Contingent) Remaindermen

Who They Are

Minor and unborn issue taking only if a current remainderman predeceases; a special representative signed for them

Tax Treatment

Also sellers — gain on the actuarial value received, reduced by their allocable share of uniform basis, is long-term capital gain

No deemed gift, but a sale — life beneficiary and successor remaindermen sell, current remaindermen buy.

Source: PLR 202509010 (February 28, 2025) | Glenmede Wealth Strategy 2026

QTIP inclusion can be broader than expected: economic burden does not always equal tax deduction

Why Kalikow Matters

QTIP inclusion under §2044 can be broader and harsher than clients expect. Settlement obligations and post-death liabilities do not automatically reduce the includible value.

Key Planning Questions

Is there a QTIP trust in the estate plan? Has anyone stress-tested the inclusion assumptions against litigation or settlement scenarios? Is valuation coordinated with tax counsel early in the process?

The Key Distinction

“Someone has to pay it” is not the same as “the estate gets to deduct it.”

01 Stress-Test QTIP Assumptions

Review whether QTIP inclusion exposure is accurately modeled in existing estate projections.

02 Model Settlement and Litigation Risk

Identify cases where post-death obligations may affect the estate tax base and plan accordingly.

03 Coordinate Valuation and Tax Analysis

Bring valuation and estate tax counsel together early — especially in litigation or settlement settings.

Model estate tax exposure early — do not assume settlement obligations automatically reduce the includible QTIP value

Source: Kalikow Estate v. Commissioner | Glenmede Wealth Strategy

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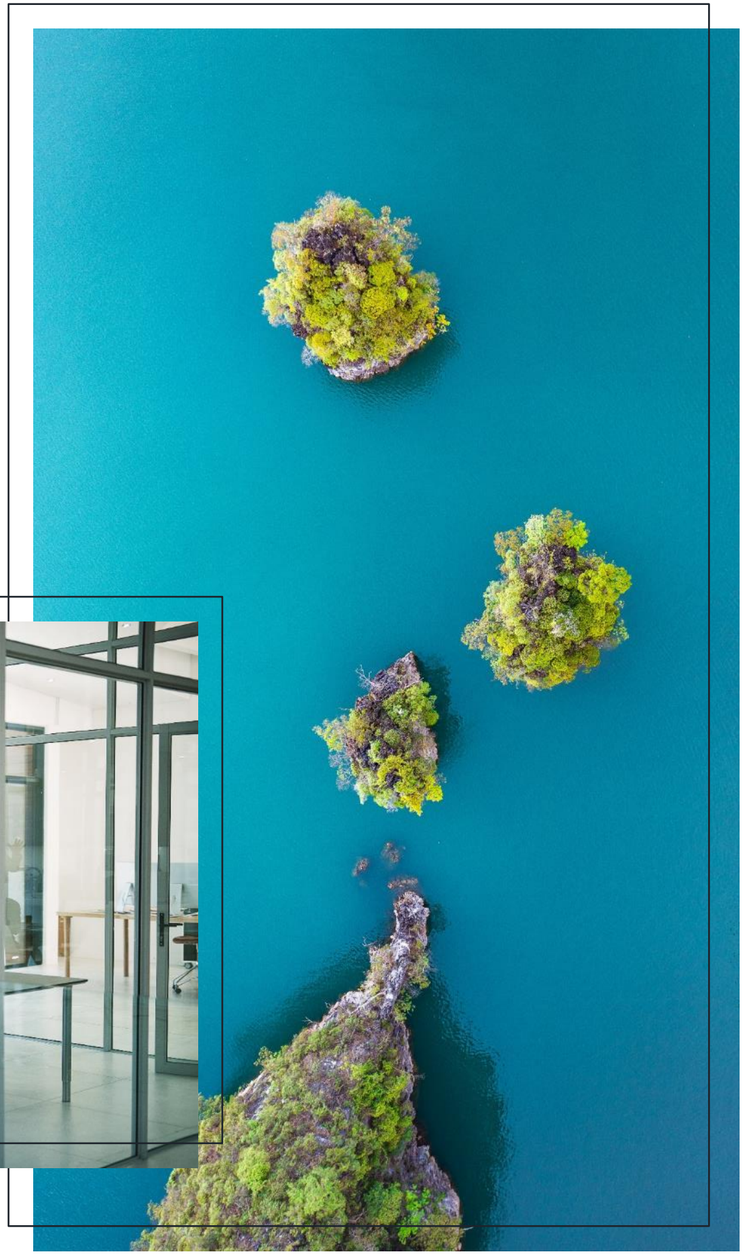
FinCEN & Compliance

CTA / BOI Reporting & Real Estate Rules





The CTA in four turns: challenge, narrowing, correction, and retreat

Challenge N.D. Ala., Mar. 2024	**Narrowing** FinCEN IFR, Mar. 2025	**Correction** 11th Cir., Dec. 2025	**Retreat** Final Rule, Aug. 2026
1	2	3	4
National Small Business United v Yellen. The CTA is held unconstitutional and enforcement enjoined.	Domestic reporting companies exempted. The covered population falls to a few thousand foreign entities.	Reversed. The CTA is a valid Commerce Clause exercise and does not facially violate the Fourth Amendment.	Exemptions made permanent. FinCEN will delete U.S.-person data already filed.

Why this is not the end of the matter

FinCEN did not repeal anything. It narrowed the reporting population by regulation, and the CTA remains law. The current narrowing is a policy choice, not necessarily a permanent endpoint, and a future Treasury could revisit it by rulemaking. Why might they? Perhaps Financial Action Task Force commitments.

Source: Nat'l Small Bus. United v. U.S. Dep't of the Treasury, No. 24-10736 (11th Cir. Dec. 16, 2025); FinCEN Final Rule, 91 Fed. Reg. 52508 | The Glenmede Trust Company, N.A.

The March 1, 2026, rule for certain non-financed residential real estate transfers: one court upheld it, another vacated it

Case	Court and Date	Holding	Where It Stands
Fidelity National Financial	M.D. Fla., Feb. 2026	Rule upheld; challenges to FinCEN authority rejected	Creates the split
Flowers Title Companies	E.D. Tex., Mar. 19, 2026	Exceeds Bank Secrecy Act authority; vacated nationwide	On appeal, Fifth Circuit
Corley v. Treasury	N.D. Tex., Feb. 2026	Parallel challenge to the same rule	Pending
Net effect today	As of October 2026	No Real Estate Report required unless the posture changes	Could return on appeal

If the rule returns, the filing obligation runs through the reporting-person cascade: often title, settlement, escrow, or closing professionals, and in some cases attorneys, with five-year retention.

Source: Flowers Title Cos., LLC v. Bessent, No. 6:25-cv-127 (E.D. Tex. Mar. 19, 2026); Fidelity Nat'l Fin., Inc. v. Bessent (M.D. Fla. Feb. 2026) | The Glenmede Trust Company, N.A.

FinCEN Proposes Fundamental Reform of AML/CFT Programs

1. **Two-Tiered Enforcement Framework**
   Separates program establishment from implementation; only significant or systemic failures warrant enforcement action
2. **Risk-Based Resource Allocation**
   Institutions must direct more attention to higher-risk customers and activities, with flexibility to scale down lower-risk efforts
3. **Expanded FinCEN Oversight Role**
   New consultation framework between FinCEN and federal banking regulators before significant AML/CFT supervisory actions
4. **Innovation Recognition**
   Encourages adoption of ML, AI, blockchain analytics, and digital identity tools as mitigating factors in enforcement

Key Details

Issued
April 7, 2026

Comments Due
June 9, 2026

Effective
12 months after final rule

Supersedes
July 2024 NPRM (withdrawn)

Joint Banking NPRM
OCC, FDIC, NCUA aligned; Fed Reserve did not join

Key Takeaways for Financial Institutions

1. Consider a gap assessment now on risk methodology — map current resource allocation against risk tiers
2. Document program design decisions thoroughly — the two-tiered framework limits enforcement to “significant” failures, but that term is loosely defined
3. Monitor the Fed’s position — the Federal Reserve did not join the joint banking NPRM, creating potential supervisory fragmentation for Fed-supervised institutions

Source: FinCEN NPRM, 91 Fed. Reg. 18704 (Apr. 10, 2026) | RIN 1506-AB72

Alternatives reach 401(k)s — but fiduciary process is the headline

1. **Access is Growing**
   Private credit, private equity, and real assets are entering ordinary retirement allocation discussions. On March 30, 2026, DOL/EBSA proposed a rule (91 Fed. Reg. 16088) implementing EO 14330 to open that door.

2. **A Process-Based Safe Harbor**
   The proposal offers an optional safe harbor creating a presumption of prudence when selecting designated investment alternatives — aimed squarely at reducing ERISA litigation risk. Comments closed June 1, 2026.

3. **Six Factors, Documented**
   To earn the presumption, fiduciaries must consider and document performance, fees, liquidity, valuation, benchmarks, and complexity. It does not reach brokerage windows, plan design, or ongoing monitoring.

4. **Expect More Client Questions**
   Business owners, executives, and affluent participants will ask. A proposal is not a final rule — and even if finalized, the safe harbor is expected to draw its own legal challenges.

The March 2026 proposed safe harbor rewards documented process, not product access — advisors who master the six-factor review will be best positioned to guide client decisions

Source: DOL/EBSA Proposed Rule, Fiduciary Duties in Selecting Designated Investment Alternatives, 91 Fed. Reg. 16088 (Mar. 31, 2026), RIN 1210-AC38; EO 14330 | Glenmede Wealth Strategy

Starting 2026, employees earning over $145K must route catch-up contributions through a Roth account — no exceptions

1 **Who is affected**
Employees with prior-year FICA wages over $145,000 (indexed to $150,000 in 2026). The threshold is per employer, not aggregate.

2 **What changes in 2026**
All catch-up contributions to 401(k), 403(b), and 457(b) must go into a Roth account. Pre-tax catch-ups end for these earners.

3 **Employer obligation**
Employers permitting catch-ups must offer a Roth option — or disable catch-ups entirely. No Roth option = no catch-up for anyone.

4 **The silver lining**
Roth catch-ups grow and distribute tax-free. IRA catch-ups ($1,100 in 2026) are not subject to this Roth requirement.

High earners lose pre-tax catch-ups in 2026 — confirm the plan offers Roth, or catch-ups stop for everyone.

Source: SECURE 2.0 Act § 603 | IRC § 414(v) | Effective January 1, 2026

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Select OB3 Developments

Charitable Giving - Section 68 · Trump Accounts



New Deduction Rules Reshape Giving Strategies

Provision	Prior Law (2025)	New Law (2026)
Itemized Deduction Cap (§68)	No overarching limit on itemized deductions	35% max benefit — deduction value capped at 35¢ per dollar for taxpayers in the 37% bracket
Charitable AGI Floor	No floor — full amount deductible up to AGI limits	0.5% AGI floor for individuals; 1% for corporations — only excess is deductible
Non-Itemizer Deduction	No above-the-line charitable deduction	$1,000 single / $2,000 joint — above-the-line deduction (cash gifts to public charities only)

Trust Planning Alert: The JCT Bluebook (May 28, 2026), footnote 102, states that estates and trusts are subject to new §68. Because trusts reach the top bracket at far lower thresholds, the haircut can be impactful.

Model the 35% cap and 0.5% AGI floor before year-end; trusts may face the same haircut.

Source: One Big Beautiful Bill Act (OBBB); Parthemer, "Generosity Still Counts," JFSP (Nov. 2025) | §68 reinstated; §170 amended | JCT, General Explanation of OBBBA (Bluebook), JCS-1-26 (May 28, 2026), n.102

How the 0.5% Floor for Individuals Who Itemize Works (as a §170, not §642(c) rule, the floor does not reach trusts and estates)

	2025	2026
AGI (Adjusted Gross Income)	$400,000	$400,000
Cash Donation	$2,000	$2,000
Floor of 0.5%	N/A	$2,000
Schedule A Deduction	$2,000	$0

Key Carry-Forward Rules

✓

Large donations with a carry-forward also carry forward the floor amount

$2,000

Disallowed in 2026 in this example — carried forward if applicable

✗

Without a carry-forward, the floor amount is lost with no tax benefit, so consider bunching strategies

Bunching (maybe through a DAF) preserves value: without a carry-forward, the floor amount is lost outright. Consider measuring taxes over a 3 to 5 year cycle.

Source: Simplified example for illustration | Glenmede Wealth Strategy 2026

OB3 makes QCDs more valuable — by leaving them untouched

OBBBA left QCD rules untouched — and made the QCD's above-the-line exclusion far more valuable by comparison.

Why QCDs Are Unaffected

An income exclusion, not a deduction — the 0.5% AGI floor never applies.

Saves a full 37 cents per dollar in the top bracket by excluding income outright.

$111,000 per individual, versus the $1,000 non-itemizer deduction — and only the QCD reduces MAGI.

Lower MAGI also means less NIIT, lower IRMAA surcharges, and less Social Security taxed.

Timing trap: no mailbox rule — the check must clear the IRA before year-end.

For a charitably inclined IRA owner 70½+, a QCD beats a cash gift plus deduction on every metric.

Source: One Big Beautiful Bill Act (P.L. 119-21) | IRC § 408(d)(8) | 2026

New §68 sweeps in trusts and estates — and JCT's Footnote 102

1 **The New Limitation**
OBBBA replaced the suspended Pease limitation with a rule cutting the tax benefit of itemized deductions by 2/37ths of the excess over the 37% bracket threshold — and repealed the old §68(e) exemption for trusts and estates.

2 **Footnote 102's Rationale**
The JCT reasons that §641(b) applies the individual rules to fiduciaries, §63(d) defines itemized deductions broadly, and §67(e)'s carve-out for fiduciary deductions reaches only §67 — so nothing shields trusts and estates from §68.

3 **What It Breaks**
Limiting the §651/§661 distribution deduction taxes the trust on income the beneficiary reports in full; limiting §642(c) makes charities bear an income tax — and the DNI math turns circular.

4 **Planning Takeaway**
AICPA, ACTEC, and NYSBA have each asked Treasury for guidance or a technical correction. Until it arrives, model the §68 drag on every trust distribution and charitable deduction — don't assume the old exemption still applies.

Footnote 102 confirms trusts and estates are swept into new §68 — but never engages with §642(c) or the distribution deduction. Treat this as an unresolved risk in fiduciary income tax planning, not settled law.

Source: JCT, General Explanation of the Tax Provisions of Pub. L. 119-21 (May 2026), Footnote 102 | Glenmede Wealth Strategy

Trump Accounts: IRS Safe Harbor Ends the Form 709 Guesswork

$1,000
Federal seed contribution for children born 2025–2028

$5,000/yr
Annual contribution limit (parents, family, employers)

~7 Million
Trump Account elections received as of August 2026, per Treasury

1 **Gift Tax Concern Resolved**
Rev. Proc. 2026-25 (June 29, 2026) treats qualifying contributions as present-interest gifts eligible for the annual exclusion — where the year's only gifts to the beneficiary are cash contributions of $5,000 or less to one or more Trump Accounts.

2 **State Conformity Varies**
Federal tax-deferred treatment is not uniform across states. For example, California does not conform — investment income may be taxed annually at the state level, reducing the account's effectiveness.

3 **Coordinate With Existing Vehicles**
529 plans, Roth accounts, and custodial brokerage accounts generally offer more flexibility than private contributions to a Trump Account. The federal seed money is the primary draw — Trump Accounts belong in the toolkit, not in place of it.

The Form 709 filing concern is resolved for certain contributions — but Trump Accounts remain a planning tool, not a planning strategy. Coordinate carefully with other vehicles.

Source: One Big Beautiful Bill Act (Pub. L. 119-21) | Rev. Proc. 2026-25 | IRS Notice 2025-68 | Glenmede Wealth Strategy | July 2026

When the Rev. Proc. 2026-25 Safe Harbor Doesn't Apply

The gift tax safe harbor is conditional, not automatic — any one of these breaks it:

1. **Annual Exclusion Exceeded**
   Total gifts to the beneficiary for the year — including the Trump Account contribution — exceed the annual exclusion ($19,000 in 2026).

2. **Gift or GST Tax Is Due**
   Contributions made during the calendar year leave a gift or GST tax liability after applying the taxpayer's remaining applicable credit amount or remaining GST exemption.

3. **A Form 709 Is Filed Anyway**
   Setting the Trump Account contributions aside, a gift tax return is still required or is in fact filed for the year — whether for GST tax, portability, or any other reason.

Any one of these erases the safe harbor, and a Form 709 is required for the full amount — confirm no other filing triggers exist before assuming no return is due.

Source: Rev. Proc. 2026-25 | IRC Sec. 2503(b) | Glenmede Wealth Strategy | July 2026

New Regulations Add Automatic Enrollment and Stock Funding

Temporary regulations (T.D. 10056), effective September 30, 2026, change how accounts are opened and funded:

1

Treasury Will Open Accounts Automatically

Treasury will open an account and elect the $1,000 seed for eligible children who lack one, adding an estimated 60 million+ accounts. Families who already filed Form 4547 are unaffected.

2

Auto Accounts Must Be Claimed

Auto accounts are pooled for investment in a Treasury master group trust. A parent or guardian must verify identity and legal authority before directing the account.

3

Stock Funding Is Limited to Charities and Governments

Donated domestic public stock must go in equal amounts to a class of 5,000+ children and generally be held five years. Parent, grandparent and employer contributions must still be cash.

Clients still cannot gift appreciated stock to a Trump Account; the cash-only safe harbor analysis is unchanged.

Source: T.D. 10056 (Sept. 30, 2026) | Prop. Treas. Reg. §§ 1.530A-1, 1.530A-7 | Glenmede Wealth Strategy | October 2026

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Select Digital Asset Updates

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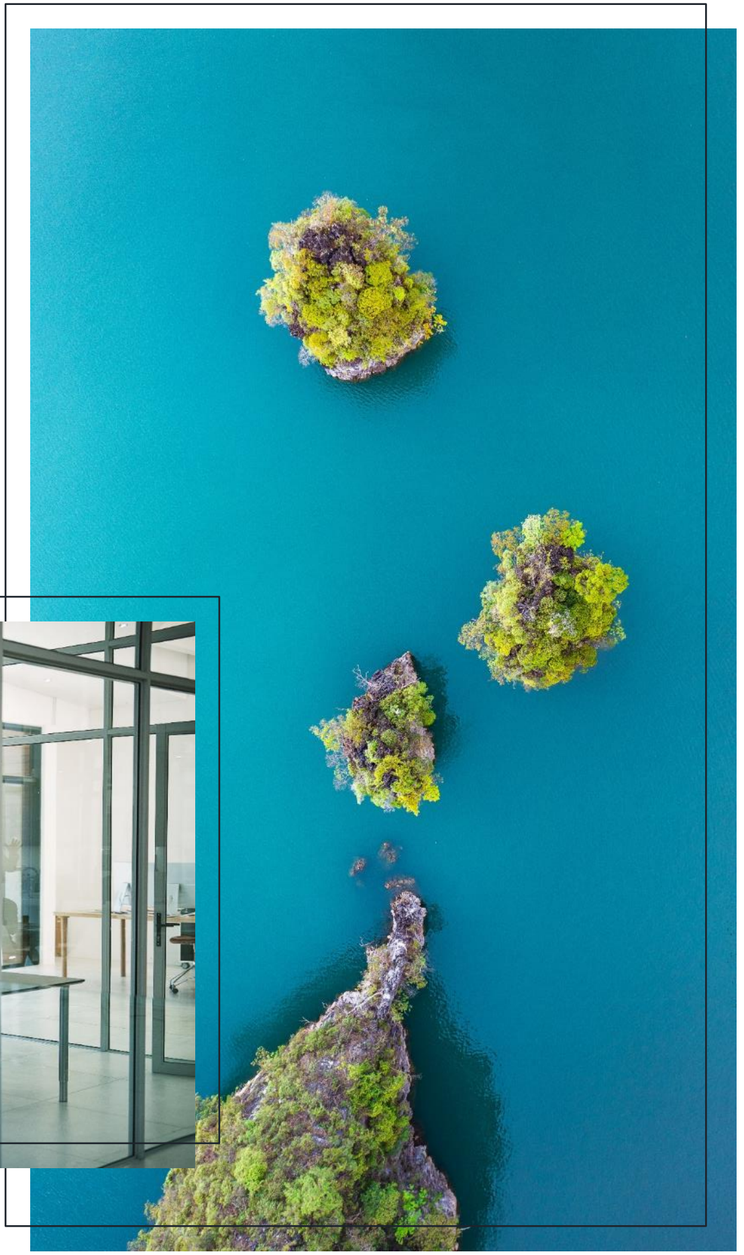

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Recent Releases

Digital Asset Reporting & Retirement Accounts



Final digital asset regs: 1099-DA creates new compliance touchpoints

Area	Rule	Effective
1099-DA Reporting	Final regs require custodial brokers to report digital asset sales and exchanges	Starting 2025; basis in 2026
Cash Sales	Gross proceeds and basis reporting begins for custodial broker dispositions	Starting 2025
Real Estate	Realtors required to report digital asset use in real estate purchases	Beginning 2026
NFT Reporting	Final regs cover NFTs; 1099-DA reports “specified NFTs,” subject to a de minimis rule	Starting 2025
NFT Collectibles	Character unresolved — Notice 2023-27 look-through governs pending promised guidance	Guidance pending

Basis reporting starts in 2026 — reconcile client digital asset records before the first 1099-DA arrives.

IRS Final Regulations (T.D. 10000); IRC § 6045; Form 1099-DA Instructions (2026); Notice 2023-27

Crypto cannot fund an IRA — but 401(k) fiduciaries face pressure

IRA Rules

Funded with cash only, except via rollover. IRC § 408(a)(1).

Digital assets are not cash (IRS Notice 2014-21 / Notice 2023-34).

Can invest in cryptocurrencies — they are generally not prohibited assets.

NFT look-through rule: Notice 2023-27.

401(k) Rules

Funded with cash only; IRA prohibited asset rules apply.

Employer fiduciary duty: 3+ options with materially different risk/return characteristics.

Digital assets as plan investments carry significant litigation risk.

August 2025 Executive Order: DOL directed to reexamine guidance regarding alternative assets.

SEC follow-through (ADI 2025-16): staff dropped the accredited-investor and $25,000 minimum conditions and the 15% cap on registered closed-end funds of private funds — widening the vehicles available to plans.

In 401(k)s the question is fiduciary process, not availability.

IRC § 408; IRC § 401; DOL Guidance | Executive Order 14330 (Aug. 7, 2025); SEC Division of Investment Management, ADI 2025-16 (Aug. 15, 2025)

Notice 2026-40 bridges OZ 1.0 to the OB3 regime

What the Notice Provides

Released June 18, 2026; previews forthcoming proposed regulations under IRC §§ 1400Z-1 and 1400Z-2, and taxpayers may rely on it now.

Prior QOZ designations do not count against the new 2027 designation-period cap.

Gain deferred to December 31, 2026, must be recognized — it cannot be re-deferred into a QOF.

Post-2026 QOF investments move to a new five-year inclusion framework.

Compliance testing relief extends to funds and businesses in zones not redesignated for 2027.

Planning Before Year-End

Existing investors retain the 10-year exclusion on post-investment appreciation.

Limited transition relief applies to property and compliance tests in expiring OZ 1.0 zones.

Post-2026 acquisitions in OZ 1.0 zones are sharply restricted; working capital plans should be in place before December 31.

Subregulatory guidance only — terms may change through the rulemaking process.

Revisit existing QOF structures and any 2026 inclusion events with clients this fall.

Gain deferred to December 31, 2026, cannot be re-deferred; OZ 1.0 projects need a plan before year-end.

IRS Notice 2026-40 (June 18, 2026), IRB 2026-28; IRC §§ 1400Z-1, 1400Z-2; OBBBA § 70421.

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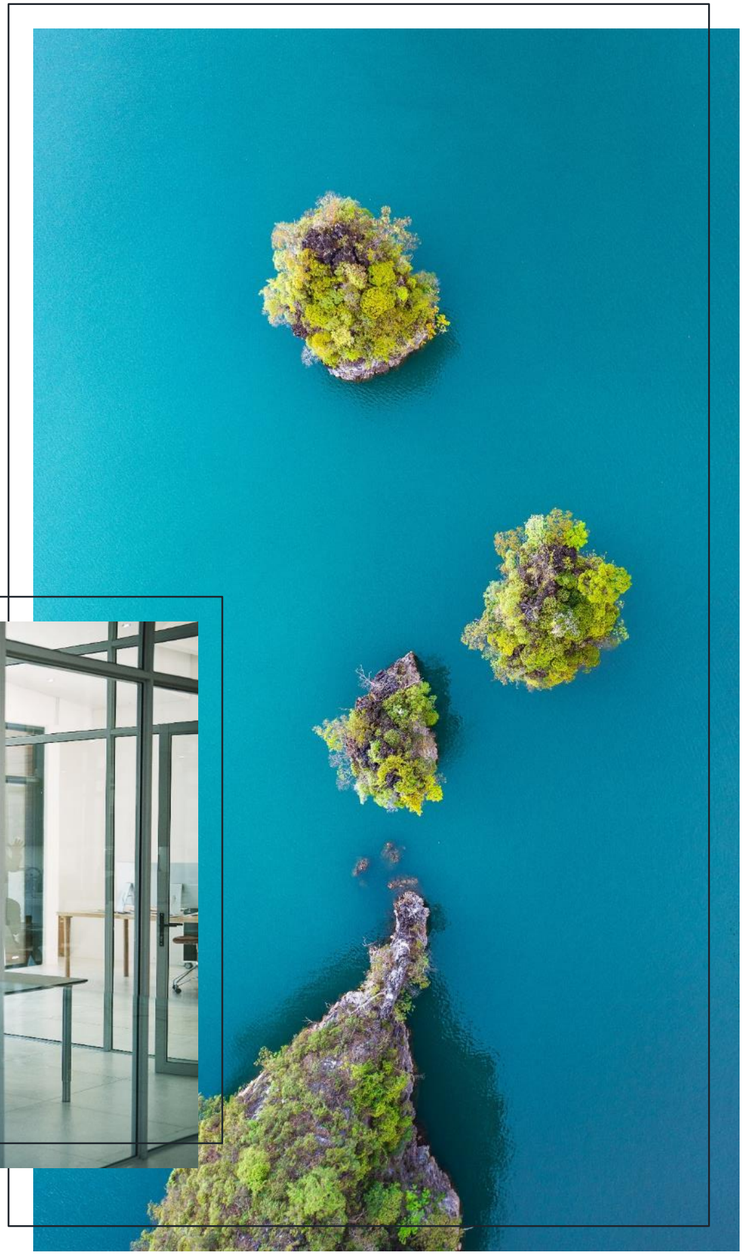
Estate Planning Considerations

When Digital Assets Meet Estate Planning — Wrench Crimes





Five digital-asset planning moves that hold up at the first login

1

Inventory digital assets explicitly

Maintain a living schedule of wallets, exchanges, and logins — plans most often break down because the fiduciary never learns the assets exist.

2

Separate access from ownership

Document where keys and passwords live without putting them in the will, which becomes a public record at probate.

3

Use a fiduciary-accessible vault

Store credentials in a password manager or hardware solution the executor can actually reach — legal authority is useless without a way in.

4

Grant explicit authority in documents

Add digital-asset powers to wills, trusts, and POAs — under RUFADAA, custodian terms of service control wherever the plan is silent. Consider a tech-savvy special or co-executor.

5

Test the plan before it's needed

Run a dry recovery with the named fiduciary — theory breaks down at the first locked 2FA prompt or expired device.

A digital asset plan fails at access, not authority — test recovery with the fiduciary before it is needed.

Source: Revised Uniform Fiduciary Access to Digital Assets Act (RUFADAA) | Glenmede Wealth Strategy, June 2026.

“Wrench Crimes”: six practices that reduce the physical risk



1. **Understand Why Crypto Is Targeted**
   Anonymous, non-reversible transfers; no middlemen; large sums moved instantly; victims often have no recourse; social media oversharing reveals wealth and location.

2. **Don't Store Seed Phrases at Home**
   Use vaults or institutional custodians. A seed phrase at home is a single point of failure.

3. **Split Access**
   Distribute key management so no single event causes total loss — across trusted parties or jurisdictions.

4. **Use Duress Wallets**
   A duress wallet holds a small amount to "give up" under physical threat — protecting the larger holding.

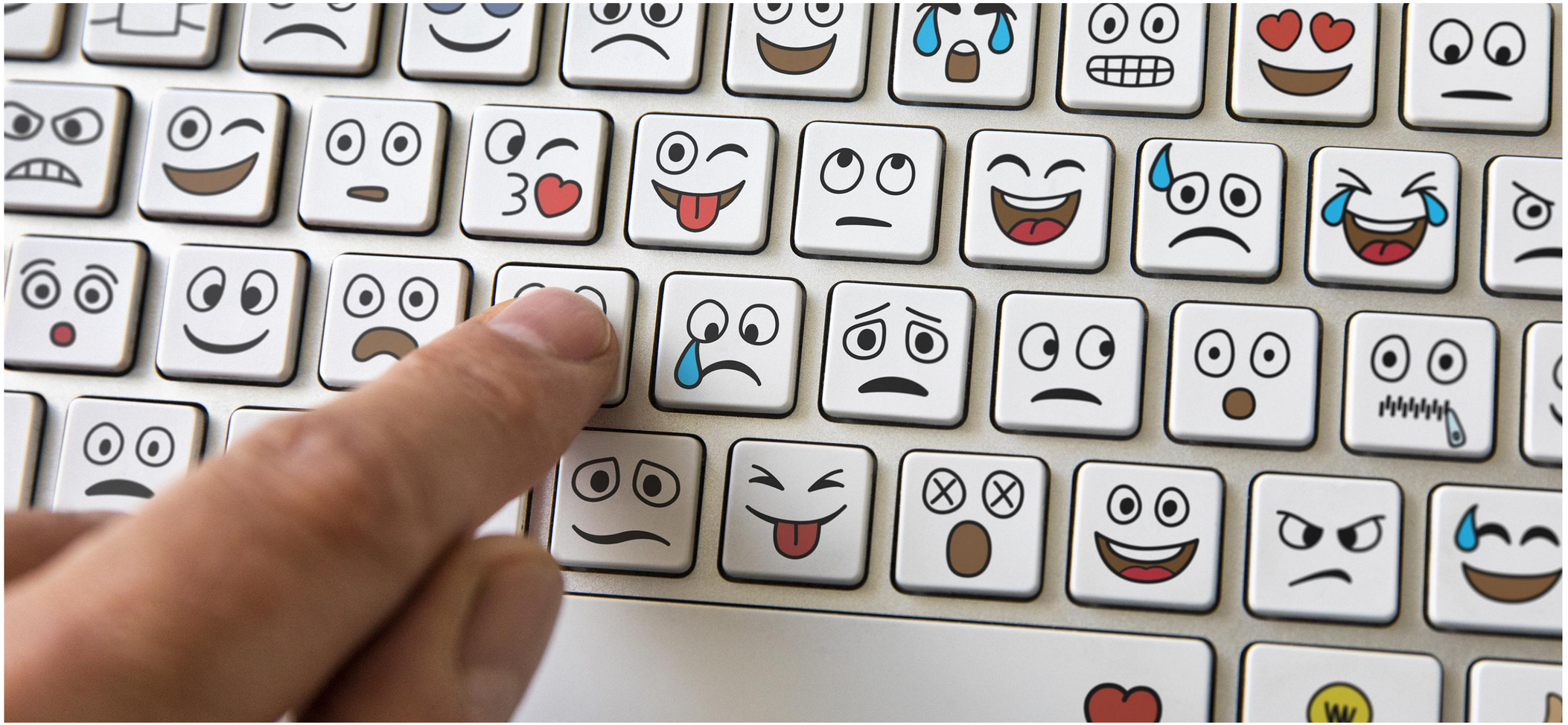
5. **Use Time-Locked Wallets**
   Time locks add friction against coerced transfers.

6. **Reduce Exposure and Train Household Staff**
   Avoid disclosing holdings publicly. Household members and staff should have response plans.

Never store a seed phrase at home; split access, add duress and time-locked wallets, keep holdings private, and don’t open the door for a pizza delivery if you didn’t order one!



Smiley Faces in Serious Places:
Emojis carry legal weight — courts treat them as binding intent



A thumbs-up can bind a client — treat emoji in negotiations as signed language.

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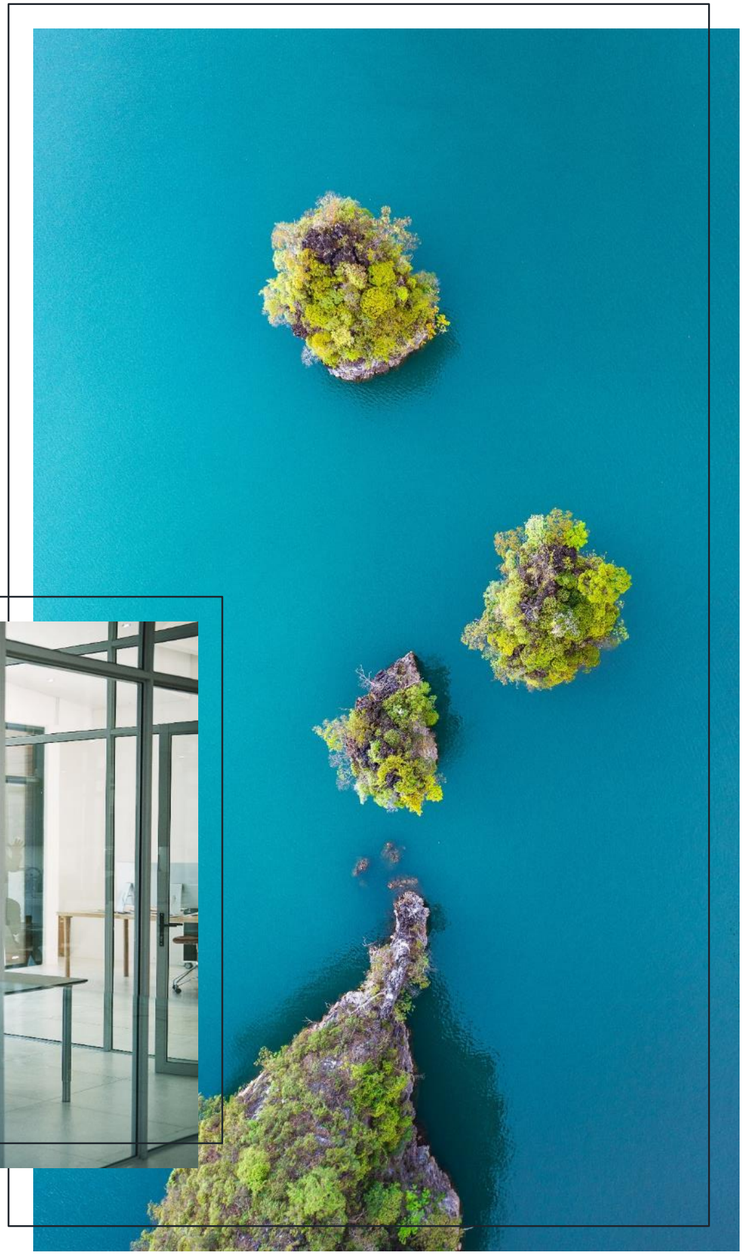
Celebrity Estates

The Estate Plan After the Signature: Lessons from Public Disputes





The Plan That Outlived the Life

Documents Age: A Signed Plan Is Not Necessarily a Working One

Gene Hackman (d. 2025)	*Heath Ledger* (d. 2008)
Hackman, 95, and his wife, Betsy Arakawa, 65, died at their New Mexico home in February 2025	Heath Ledger signed his will in 2003, five years before his death in 2008
His will was reportedly dated 2005 — two decades old, predating his reported cognitive decline	It never accounted for his daughter, Matilda, who was born in 2005
Arakawa died about a week before him; the first-named alternate fiduciary had also died	The same stale-document problem, in simpler form — and with a clearer cost
A later-named successor had to seek appointment in probate	A birth, death, marriage, divorce, or move is a planning event, not background noise
Naming a backup fiduciary is prudent; naming only one may not be enough	The same discipline belongs on retirement and life insurance beneficiary forms
A plan signed long before death may no longer describe the family it governs	A disciplined review cadence is among the most valuable services an advisor offers

A signed plan is not a working plan — review cadence is what keeps documents current.

Source: Public probate filings and news reporting on the Hackman and Ledger estates | Glenmede Wealth Strategy

Putting a Price on a Person

Funding and Valuation: Few Assets Are Harder to Price Than a Famous Name

Michael Jackson (d. 2009)	*Robin Williams* (d. 2014)
Jackson died in 2009 with a pour-over will directing everything into a family trust	Williams took a more deliberate approach to the same hard-to-value asset
The estate spent years contesting the IRS valuation of his name and likeness	He placed his right of publicity in trust and assigned it to a charitable foundation
The estate reported $2,105; the IRS asserted more than $434 million	Commercial use was barred for 25 years, removing it from his taxable estate
The Tax Court landed far closer to the estate's number, after a decade of litigation	Deciding in advance kept it out of court, though his family still litigated over jewelry and memorabilia
Assets never retitled into the trust may still require probate	Insurance can supply liquidity for taxes and avoid a forced sale
An unfunded trust is a sound plan only partly implemented	It can also replace, for heirs, the value directed elsewhere

Fund the trust and address hard-to-value assets deliberately, or litigation will do it for you.

Source: Estate of Michael J. Jackson v. Commissioner, T.C. Memo. 2021-48; public reporting on the Williams estate | Glenmede Wealth Strategy

Defining the Contents: Robin Williams' Tangible Property Dispute

50+
Bicycles in dispute, alongside watches, awards and photos

Thousands
Items the widow said trustees removed from her home

8 Months
Of litigation before the widow and children settled

1 **The Trust Drew Lines the Family Read Differently**
The trust left the Tiburon home and its contents to his widow but carved out clothing, jewelry, memorabilia and awards for his children.

2 **Location Versus Category**
Susan Williams read the carve-outs as limited to items at the Napa home; the children read them as reaching those items wherever they were kept.

3 **Settled Item by Item**
Widow: lifetime use of the house, a watch he often wore, a honeymoon bike, and wedding gifts. Children: his awards and, eventually, the house.

Name the items that matter and say whether location controls; vague categories invite a fight.

Source: Public reporting on the Estate of Robin Williams, San Francisco Superior Court (2014–2015) | Glenmede Wealth Strategy

Who Holds the Reins: Jimmy Buffett's Co-Trustee Standoff

$275M
Marital trust reported at Buffett's death in 2023

2 Co-Trustees
Widow Jane and Buffett's longtime business manager

2025
Year co-trustees filed competing petitions to remove each other

1 **The Document Wasn't the Weakness**
Jane receives income for life; three children hold remainder interests. The fiduciary structure, not the trust document, is what broke down.

2 **Illiquid Holdings, Income Beneficiary**
Much of the trust's value sits in illiquid holdings that produce little income for a life beneficiary — a mismatch a financial planner should model and flag before it becomes litigation.

3 **Competence Is Not Suitability**
Being a competent adviser and being a suitable fiduciary are related but not identical qualifications — co-trustee pairings deserve the same scrutiny as any other appointment.

If Jackson and Williams are about what a client owns, Buffett's estate is about who is entrusted to administer it.

Source: Public reporting on the Estate of James W. Buffett | Glenmede Wealth Strategy

Small Formalities, Large Consequences: The Presley Trust Amendment

2016
Year of the disputed amendment removing Priscilla as trustee

4 Defects
Alleged: unwitnessed, unnotarized, misspelled name, not delivered

Months
The contest settled within months of her 2023 death

1 **Execution Discipline Is the Whole Case**
Priscilla Presley contested a 2016 trust amendment that had removed her as trustee, alleging it was unwitnessed, unnotarized, misspelled her name, and was never properly delivered.

2 **Formalities Are Evidence of Intent**
Formalities are not ceremonial — they are the evidence by which intent is later proved. A public contest over avoidable defects is the cost of skipping them.

3 **Confirm Delivery, Not Just Signature**
Advisors who hear of a “quick change” to a trust or beneficiary form should confirm it was properly executed and delivered to those expected to act on it.

A concise lesson in execution discipline: the dispute settled, but only after a public contest over defects that were entirely avoidable.

Source: Public reporting on the Estate of Lisa Marie Presley | Glenmede Wealth Strategy

Affection Needs Administration: Pet Trusts and the Limits of Excess

50 States
Pet trusts are valid nationwide — but animals are property

$12M → $2M
Helmsley's bequest to Trouble, reduced by a court as excessive

Unconfirmed
Reports of a $5M trust for dog Reggie — unconfirmed in any filing

1 **Verify the Story Before You Repeat It**
Diane Keaton died in October 2025. Reports that she left $5 million in trust for her golden retriever, Reggie, have not been confirmed in any probate filing — a reminder that estate coverage often outruns the record.

2 **Proportionality Matters**
Because animals are property, a caretaker and a trustee must actually administer the money — and a court will cut a bequest it finds excessive, as it did with Helmsley's.

3 **Size to Actual Cost of Care**
A modest life insurance policy, sized to the actual cost of care rather than a conspicuous round number, is often more defensible than an outsized bequest.

Affection is honored most reliably when it can actually be administered — not when it is simply declared.

Source: Public reporting on the Estate of Diane Keaton; Matter of Trouble (Helmsley) | Glenmede Wealth Strategy

The Limits of Control: Rupert Murdoch's Trust Amendment

1999
Year the family's irrevocable trust was originally created

1 Son
Sought concentrated control; three other children's voting power cut; two more after-born

9/8/25
Date the family settled, following the Nevada probate commissioner's ruling

1 **"A Carefully Crafted Charade"**
Murdoch sought to amend the 1999 trust to concentrate control of his media empire. A Nevada probate commissioner found the maneuver was undertaken in bad faith, using that exact phrase.

2 **Irrevocable Is Not Immovable**
Trust modification remains possible, but it is bounded by fiduciary duties and governing law — an irrevocable trust is durable, not literally unchangeable, and courts will scrutinize the reasons for any change.

3 **Plan Succession While Founders Are Engaged**
For business-owner clients, succession and control decisions are best addressed while the founder is alive and prepared to fund the transition, including through buy-sell agreements and supporting life insurance.

Murdoch's fight is the outlier because he is still living — but it shows the limits of control before death, not after it.

Source: Public reporting on the Murdoch Family Trust proceedings, Nevada probate court | Glenmede Wealth Strategy

Common threads across every celebrity estate dispute

Documents age

Hackman's plan aged two decades; Ledger's never accounted for his daughter.

Funding is implementation, not clerical work

Titling and beneficiary designations must actually match the plan.

People matter

Fiduciaries need judgment, temperament, independence — and a clean path to replacement.
Name who controls property and access at death: Dolly Parton's manager (Danny Nozell) and nephew (Bryan Seaver) are already in court.

Privacy and control have limits

Courts, fiduciary duties, and beneficiary rights still apply; privacy is not immunity.

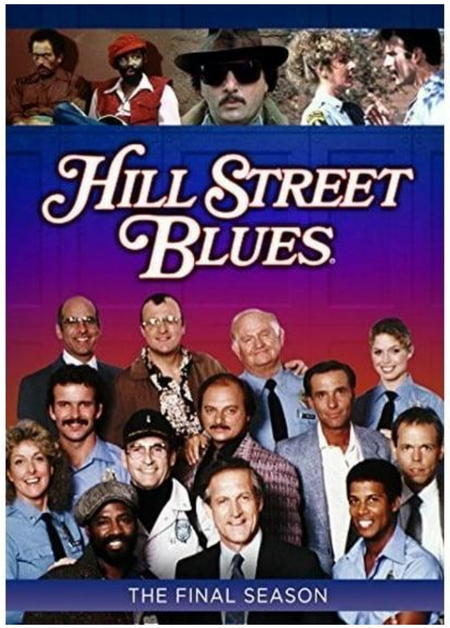
Coordination matters before the crisis

Families fare best when their advisors already know how to talk to each other.

In every case the plan existed — what failed was the gap between the document and the life.

Source: "The Estate Plan After the Signature: Lessons from Celebrity Estates," Mark R. Parthemer | Parton example: public reporting on the restraining order involving Dolly Parton's estate, September 2026 | Glenmede Wealth Strategy

The closing thought — from an unlikely source



"Hey remember…let's be careful out there."

— Sgt. Phil Esterhaus (Michael Conrad), Hill Street Blues (1981-1987)

Everything covered today — new statutes, digital assets, AI in practice, and a string of estates that failed on execution — reduces to a single instruction. Be careful out there: verify what you are told, document what you do, and confirm the plan still matches the life it governs.

The tools change every year. The discipline does not.

Thank you for your time and confidence in Glenmede!

Questions?

Scan QR code to subscribe to my Estate of Affairs LinkedIn newsletter:



We Value Your Feedback

Please scan the QR code with your camera phone to complete a brief survey about today's event.

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