



## Why Nevada Law?

Prior to the advent of the Internet, shopping for products and services was generally limited to that which was offered by local vendors. But the spectacular growth and revolutionary impact of cyberspace has influenced just about everything connected with our lives, including how we shop. Indeed! Most everyone now enjoys the wide-spread benefits of the Internet's commercial platform.

It is interesting to note that **“jurisdictional shopping” for achieving maximum-benefit estate planning objectives with trusts** has been available for well over 200 years dating back to when certain states began codifying (expressly recording) specific trust law. Any U.S. citizen then, *as any U.S. citizen can now*, could choose to establish a personal trust estate plan in any state that published and upheld a beneficial body of law concerning estate planning. The process has always been available and legally recognized.

As a practical matter, using an out-of-state situs for establishing a personal estate plan with a multi-generational existence was available to only a few back in the early 1800s – being the wealthy elite. But that's all changed now as full-on digital transformation is here. Technology is facilitating and popularizing *nationwide jurisdictional shopping* for U.S. citizens in locating/implementing top-tier estate planning services and venues. The eStatePlan platform makes that process easy to accomplish.

Estate planning with trusts should connect the main factors: (a) the initial implementation process; (b) proper and complete funding; (c) ongoing plan accessibility (for Revocable Living Trusts), (d) important administrative regulations; (e) income and estate-transfer taxation planning; (f) asset “spend-thrift” protection; and (g) the eventual estate settlement process. Notably, Legal statisticians have identified seven states that have employed *purpose-drafted code* with respect to providing foundational, user-friendly estate planning law to help families anywhere engage those important factors, and more, and realize their planning goals. *Nevada is in that group and our recommended choice.*

**The State of Nevada** has been on the “most favorable, pro-trust” list over a long period of time and consistently rated at the very top in current years. Nevada legislators have gone the extra mile in writing comprehensive trust law – including replicating and codifying the terms of the widely respected Uniform Trust Code (of 2000) – to cover every important aspect possible. In our corporate view, the State of Nevada is clearly the most desirable situs for any American family, *regardless of where they reside*, to establish a living trust estate plan while utilizing 21<sup>st</sup> century dynamics to maintain their plan.

***See Nevada Trust Law Q&A Below***

## – Nevada Trust Law / Questions & Answers –

Q > Can I establish a Nevada trust regardless of where I live? / Yes. Any U.S. citizen in any of the 50 states may establish a Nevada trust. In fact, even foreigners with domestic assets may establish a Nevada trust, and very often do. Nevada lawmakers welcome all wanting to employ Nevada trust law.

Q > Might there be any concern associated with administering my *personal* bank and brokerage accounts, or real estate interests, or closely held business interests, or even my personal chattel assets using a Nevada trust even though my assets are neither located nor registered in Nevada? / Any and all of your domestic assets, regardless of where located, that can be assigned to, retitled to, or paid to a trust will be compatible with a Nevada trust. And that is especially so in today's world as constructive delivery and receipt transactions can be accomplished electronically/digitally or by express delivery whenever necessary.

Q > Is it allowable for a family member or friend to succeed as (successor) trustee of my Nevada trust even though such person is not a citizen of Nevada? / Yes. However, we recommend – for estate settlement purposes – appointing a Nevada trust company who is strategically partnered with ITS to serve as your (successor) trustee. But that choice is entirely up to you and under your control at all times.

Q > Does establishing a Revocable Living Trust under Nevada law help avoid any estate-transfer-related taxation that may be imposed by my own state of domicile at the time of my decease? / No. If you are then a citizen of one of the twelve states, or the District of Columbia, that (currently) impose transfer/estate taxes upon their citizens at the time of decease and/or one of the six states that (currently) impose transfer-related inheritance taxes upon their citizens at their decease then the same obligations, if any, shall be requisite upon your trust estate regardless of where it is situated, including the State of Nevada.

Q > Is my state legally required to recognize all points of Nevada trust law at the same level of affirmation and effect that it would recognize its own trust law? / Yes. In fact, the **Full Faith and Credit clause of the U.S. Constitution** (Article IV, Section 1) requires that all states recognize the “public acts, records, and judicial proceedings” of every other state in the Union – including Electronic Trust/Signature law.

Q > Does establishing a Nevada trust provide me, the creator of the trust, with any personal income and/or capital gains tax savings seeing that Nevada is an income-tax free state? / No. The benefit of Nevada trust law with respect to having a ZERO state-income tax table generally applies to income created from assets held in a Nevada trust – after grantor's decease – which have not been distributed outright but held IN TRUST for that calendar year and added to the principal. To that end, assets held in a Nevada trust are also excluded from state capital gains tax.

## – The eStatePlan™ w/Dynamic Trust Portfolio –

1) Unless otherwise specified, **The eStatePlan™** Revocable Living Trust (RLT) will ALWAYS identify **Nevada** as the legal situs of the trust REGARDLESS of where the client/grantor is domiciled and whether or not the (successor) trustee is located in Nevada:

[NRS Chapter 164.045](#)

2) **The eStatePlan™** Dynamic Trust Portfolio can be implemented, including complete document set execution with full assignment of assets/property to the trust (i.e., funding the trust) through “Asset Transfer Ledgers”, using **electronic signature** (ESIGN) technology:

[NRS Title 59 / Chapter 719](#)

3) With **The eStatePlan™** RLT formats, the **Trust Protector & Trust Investment Advisor** powers are built into the documents wherein the grantor’s trust protector and trust investment advisor appointments can be legally applied and are **statutorily enforced**:

[NRS 163.5536](#)

4) **Multi-generational holding trust applications** may be used to extend the life of trusts beyond the time-period prescribed under the rule-against-perpetuities for **up to 365 years** after the initial creation of the trust (date of decease of the [surviving] grantor):

[NRS 111.1031](#)

5) The **Durable Power of Attorney Over Assets** document included in **The eStatePlan™** can be implemented and established **under Nevada law** even if the principal is not a citizen of Nevada either at the time of implementation or when the DPAOA may be utilized:

[NRS 162A.240](#)

6) Nevada law recognizes the highest levels of “**spend-thrift**” **trust protection** available among the 50 states. Aggressive, codified spend-thrift trust laws equate to a “pro-trust” environment that serves the primary purpose of carrying out the **intentions of the grantor** in the event of a controversy:

[NRS Chapter 166](#)

7) Nevada is a “**zero income / zero capitals gains tax**” state not assessing income or capital gains taxes on any trust situated in Nevada. Therefore, if a Nevada-situated trust retains undistributed income or capital gains, the **trust will not be liable** for state-related income or capital gains tax (which is at double-digit percentages in certain other states) on otherwise federally-taxable earnings or capital gains with appreciated assets:

[Title 32 / Chapter 360](#)