

# Getting the Right Inheritance

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A Family Limited Partnership (FLP) is a powerful tool that you can use in estate planning. An FLP can protect you from outlandish lawsuits, liability claims that are false in nature and general litigation that is not your fault.

Lawsuits have more than doubled over the past 30 years. The law profession has grown because so many people are trying to sue each other for stupid things that aren't even valid and they are winning at an alarming rate. America is being called the "Country of Litigation" and the effects of this attitude on suing are driving people to the poor house.

You can establish an estate plan through a Family Limited Partnership and thereby get around inheritance taxes. It's a shame that most people get taxed when they inherit the property or assets of a loved one that is deceased. It's definitely not comfortable dealing with the probate courts concerning anything regarding estate taxes.

By establishing a Family Limited Partnership, you are allowed to keep control of your assets while at the same time protecting your assets from creditors. Creditors have made the financial system a mess by attacking families and individuals with various schemes to get money. When you set up an FLP as a major component of your estate planning, you are providing optimal protection for your assets. Even if you get sued and a judgment is determined against you, the creditor may not be able to collect money from your partnership. This forces a person to settle rather than go through the legal process.

The first rule is to create your plan with a lawyer with expertise in this field. Most lawyers don't like to deal with estate planning because that means that they must read about past cases. Most lawyers will tell you that Family Limited Partnerships don't exist which is wrong. The FLP is an extended hybrid title whose roots lay in a Limited Liability Partnership.

A partnership, by the Internal Revenue Code, is defined as "a syndicate, group, pool, joint venture, business or other unincorporated organization through or by means of which any business financial operation or venture is carried on." When you are creating an FLP to control your estate assets, you need to construct your partnership using two types of participants—general partners and limited partners.

A general partner maintains control of the FLP. For estate planning, the courts will examine how the FLP is structured. The ration or percentage of general partnership interest can vary but not go over 100%. If you were married, you and your spouse could have a general partnership interest of 20% and your children could have a limited partnership interest of 80%. You would still control all the activity because you are the general partner.

Estate planning without an asset protection plan is a waste of time. It's best to find out what types of benefits are available when you do an estate plan. Many lawyers, don't like to combine them but more people are starting to get the information that would help them understand what an estate plan is and how an FLP could be used to protect assets.

Creating a Family Limited Partnership plan is NOT expensive and you don't need to be a millionaire to do it! The FLP plan will help you discover that you can eliminate income taxes and protect your family ad business from risk. This plan can really assist and help you to protect the wealth that you accumulate over the years while you are living on this side of the green grass.

Estate taxes can be killer expenses that the "average Joe" can't afford to pay. When you have an FLP, estate taxes can provide tax reduction and savings. Also, if you are sued and a creditor is trying to collect a judgment against you, your home and other assets can be in the FLP. A general partnership cannot break up because of one partner that is being sued. A creditor cannot touch the assets of the partnership assets in the FLP. In a court disposition, plaintiffs look to use "charging orders" that would entitle the plaintiff only to any distributions you would receive as a general or a limited partner.

The best estate planning is to plan your estate by using this model. You can include your home, business, stocks, companies and other assets into this type of planning. This is the best way to protect you and your assets without losing everything to a litigation system that now specializes in suing people.

Estate Planning Through a Family Limited Partnership