[Your Company Name/Letterhead]
[Address]
[City, State, Zip Code]
[Phone Number]
[Email]

[Date]

[Client Name]
[Client Address]
[City, State, Zip Code]

Subject: Advisory Regarding Intergenerational Wealth Transfer and Tax Planning

Dear [Client Name],

We are writing to provide you with an overview of the tax implications and strategic considerations regarding the transfer of wealth to your future generations. Effective planning is essential to ensure that your assets are preserved and distributed according to your wishes while minimizing the impact of taxation.

Key Tax Considerations:

- **Estate Tax:** An evaluation of your current net worth against federal and state exemption limits to determine potential tax liabilities upon transfer.
- **Gift Tax:** Utilizing annual exclusion limits and lifetime exemptions to transfer assets during your lifetime.
- **Generation-Skipping Transfer (GST) Tax:** Reviewing taxes applied to transfers that bypass a generation to ensure long-term wealth preservation.
- **Step-Up in Basis:** Analyzing how inherited assets may benefit from a cost-basis adjustment to reduce future capital gains taxes for heirs.

Recommended Strategies:

- **Trust Formation:** Implementing Irrevocable Life Insurance Trusts (ILITs), Grantor Retained Annuity Trusts (GRATs), or Family Limited Partnerships (FLPs).
- **Charitable Giving:** Utilizing charitable lead or remainder trusts to reduce the taxable estate while supporting philanthropic goals.
- **Lifetime Gifting Program:** Systematic gifting to reduce the overall size of the taxable estate over time.

Next Steps:

Tax laws are subject to change, and we recommend a formal review of your financial portfolio. We would like to schedule a meeting to discuss a customized strategy that aligns with your family's objectives.

Please contact our office at [Phone Number] to arrange a consultation.

Sincerely,

[Your Name]
[Your Title/Designation]

Disclaimer: This letter is for informational purposes only and does not constitute legal or formal tax advice. Please consult with a qualified professional before making financial decisions.