

KEYS TO WEALTH MANAGEMENT

Family Office Services Facilitates Tax-Efficient Transfers of Wealth

According to the Wall Street Journal, California is now home to more than 600,000 millionaires. These wealthy Californians will transfer the control of up to \$13 trillion of wealth to their beneficiaries over the next 40 years. The government plans to tax a large portion of this wealth transfer unless advisers unite to develop and implement plans to redirect tax money to family members and favorite charities. Clients have unprecedented opportunities to be voluntary philanthropists, who use sound tax planning to control all of their wealth, rather than involuntary philanthropists, who lose large portions of their wealth to unnecessary taxes.

Voluntary philanthropy requires coordinated efforts from advisers who know how to increase wealth available for family members while directing tax money to charities. Wealthy families increasingly rely on Family Offices to bring together a team of capable tax and financial advisers who can facilitate the tax-efficient transfer of wealth while also equipping the next generation to manage and control transferred assets. Whereas a traditional financial planner can typically serve clients with less than \$10 million in assets, families with estates valued at more than \$10 million frequently need the fully integrated legal, tax, risk management and investment planning offered by a full-service Family Office.

How does a Family Office develop best practices to serve wealthy clients most effectively? Tim Voorhees has spent nearly 30 years answering this question. Tim is a lawyer and MBA who began serving high net worth clients soon after he entered the financial planning profession in 1978. His passion to help people minimize taxes has led him to develop a variety of services and proprietary software programs related to advanced income and estate tax planning. Through Voorhees Family Office Services and its affiliated investment advisory, brokerage general agency and law firms, Tim's team focuses on providing these five services:

*** One-Stop Family Office Services.** Most clients appreciate help in choosing which financial services will most help them achieve their goals. Because of advances in technology and multi-disciplinary planning systems, wealthy individuals can access a broad array of resources very efficiently and cost effectively through the "One Stop" Family Office. A Wealth Counselor or Wealth Coach at the Family Office coordinates the relationship-sensitive delivery of the services provided by the right professionals at the right time at the best prices.

*** Zero-Tax Planning.** Family Office staff members have expertise with zeroing out unnecessary transfer taxes while reducing capital gains, income, and AMT taxes. Family Offices provide plans to show clients how to reduce taxes while increasing what is available for family needs, retirement security, and favorite charities. These plans focus on the realization of non-tax goals while illustrating substantial reduction of income, capital gains, estate, or other taxes.

*** Vision Funding.** Most people, especially those over age 55, are actively thinking about legacy and "casting a shadow beyond the grave." These clients are looking for the most tax-efficient way to help their spouse, their children and their charities realize a compelling vision.

Family Office staff quantifies wealth available to help others after clients have provided for their own retirement security. The Family Office creates and updates simple bar charts illustrating how tax savings can fund a vision for providing more resources to family and charity. Tim explains this concept in online videos and brochures that show how clients can most effectively help others while realizing their own financial, spiritual and emotional goals.

*** Wealth Counseling.** Parents appreciate the wisdom of passing on their values to their heirs before they pass on the value of what they own. The Family Office helps to unite the father and mother around a shared vision for passing ownership, management, and control responsibilities to heirs. Studies show that four out of every five heirs of wealthy families will not manage their inheritance wisely, so the Family Office provides access to Wealth Counselors who can equip family members to properly manage assets in trusts or family foundations. Properly managed family meetings clarify the roles and goals of a family's advisers while equipping family members to invest, spend, and/or donate family wealth to further the family's vision.

*** Wealth Blueprinting.** There are now more than 300 common financial, legal, and insurance tools used by wealth managers to achieve a broad array of personal goals. Funding and administering these tools requires millions of decisions about more than 200 common services. The wealth optimization process reveals the optimal mix of planning tools and identifies the best assets to fund each planning tool. The Voorhees Family Office advisers utilize the Family Wealth Blueprint® planning process to integrate sophisticated income and estate planning tools and services while summarizing conclusions concisely on a one-page flow chart with all necessary supporting calculations and explanations. The flow chart can be regularly updated in response to changing tax laws, goals, asset values, or cash flows. So that all advisers supporting a client can operate with a clear and detailed vision, planning instruments are illustrated with graphics, text, and numbers supported by fully integrated annual cash flow numbers and accurate projections of increased wealth available for funding a family's vision.

While traditional attorneys, CPAs, bankers, money managers, insurance agents, and financial planners make valuable contributions in the high net worth market, new trends in wealth management require new capabilities like those summarized in this article. Modern Family Offices bring together these comprehensive capabilities to provide advisers and their clients with convenient "One Stop Shopping" access to the most needed resources. Family Offices can provide the best solutions for successful individuals who seek to minimize taxes while maximizing benefits for themselves, their families, their businesses, and their favorite charities.

For free initial advice about funding your legacy most tax-efficiently, please email info@vfos.com or call (949) 878-9400.



"As you move through the days and years of your life, you do not go unnoticed. You leave a trail, an impression, footprints... unquestionable proof that you existed... in the lives of those around you."

Lee Ann Womack:
Something Worth Leaving Behind

Our mission is to help you develop and implement vision inspired plans for minimizing taxes and maximizing benefits — for you, your family, your business, and your favorite charities.



Tim Voorhees, JD, MBA
President

Leave a Meaningful Legacy

We can help your family integrate tax-efficient planning solutions so you can leave the most meaningful legacy.

Voorhees Family Office Services is a wealth planning firm that provides integrated advisory, legal, planning, risk management, and investment management services to families with substantial assets. By uniting a team of experienced planners and equipping them with state-of-the-art technology, Voorhees Family Office Services cost-effectively and efficiently:

- Delivers a broad array of zero-tax planning, family office, wealth counseling, and wealth blueprinting services.
- Helps clients pass on a spiritual and emotional inheritance along with the appropriate financial inheritance for each beneficiary.
- Uses proprietary Family Wealth Blueprint® software to optimize after-tax income for clients and after-tax wealth transfers for family members and favorite charities.
- Facilitates family meetings to help each generation

realize emotional, spiritual, relational, and business succession goals while optimizing tax, financial, legal, and philanthropic solutions.

Our experience advising hundreds of families with significant wealth gives us the wisdom and insight to counsel you and inspire your beneficiaries to help you leave the most meaningful legacy. Visit our websites at www.vfos.com and www.TaxWiseLaw.com or call us today at 800-447-7090 to see how we can help you integrate tax-efficient planning techniques to leave the most meaningful legacy.



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