Report of Results: Survey on Operating Procedures of Estate Planning Councils, July 1961

American Institute of Certified Public Accountants. Committee on Estate Planning
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

COMMITTEE ON ESTATE PLANNING

REPORT OF RESULTS

SURVEY ON OPERATING PROCEDURES OF ESTATE PLANNING COUNCILS

July 1961
I. Survey Method

The committee on estate planning of the American Institute of Certified Public Accountants recently conducted a survey designed to obtain information on the operating procedures of Estate Planning Councils. The questionnaire also sought to obtain expressions of opinion on the benefits derived by CPAs from membership in the Councils. The questionnaire was sent to 90 Estate Planning Councils throughout the United States and Puerto Rico. Completed questionnaires were returned by 55 Estate Planning Councils.

The 90 Estate Planning Councils were divided into two groups: the first group (Group A) consisted of those Councils which had a CPA among the officers, the second group (Group B) consisted of those Councils which did not have a CPA among the officers. The two groups were sent identical questionnaires, except that the Councils in Group A were asked two additional questions which appropriately could be answered by the CPA officer of the Council. The two additional questions referred to (1) an expression of opinion on the benefits to be derived by a CPA from membership in the Council, and (2) topics presented at Council meetings during 1960 by CPAs.

The results reflect the experience of the Estate Planning Councils for the year 1960.

II. Summary of Responses

The responses to the questions from both Group A and Group B have been combined with respect to those questions which appeared on the questionnaire sent to both groups. The responses to the two additional questions contained in the questionnaire sent to the Councils in Group A are presented separately.
The following information is based on the responses to the questions by the 55 respondent Estate Planning Councils:

A. Total Membership

1. The median membership in an Estate Planning Council is 73.

2. The range of membership is from a low of 18 to a high of 400.

B. Composition of Membership in Councils

The membership of the average Estate Planning Council consists of:

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance Men</td>
<td>34%</td>
</tr>
<tr>
<td>Lawyers</td>
<td>27%</td>
</tr>
<tr>
<td>Certified Public Accountants</td>
<td>19%</td>
</tr>
<tr>
<td>Trust Officers</td>
<td>18%</td>
</tr>
<tr>
<td>Others</td>
<td>2%</td>
</tr>
</tbody>
</table>

C. Meetings

1. The average number of meetings held per Council is 7.

2. Approximately 75% of the meetings are arranged in conjunction with dinner; the other 25% are non-dinner meetings.

3. The average attendance at a Council meeting is approximately 61% of the total Council membership.

4. Of the 55 Councils responding to the survey, 51 admit non-members to Council meetings as guests; 2 do not admit non-members and 2 did not respond to the question.

5. Whether arranged as dinner or non-dinner meetings, 77% of the meetings are arranged on the basis of an individual speaker program; 18% as panel discussion program, and 5% as combination panel-discussion and individual-speaker program.

6. There usually is only one guest speaker at Council meetings.
D. Enthusiasm for Council

Of the 55 Councils responding to the questionnaire, 35 indicate that enthusiasm for the Council increased since 1957; four indicate that enthusiasm for the Council decreased since 1957 and 16 did not respond to the question.

E. Topics Discussed at Council Meetings

1. Presented by CPAs

An Accountant's Practical Application of Theoretical Estate Planning
Audit of an Estate
Attribution or When Can You be Taxed on Income You Didn't Get
Benefits of a Holding Company
CPA's Role in Estate Planning
Estate Planning (a case study)
Estate Planning for Partners
Executive Compensation in Closely Held Company
Family Tax Planning
H.R. 10 - Self Employed Individual Retirement Program Bill
Interpreting Financial Reports
Participation of Each Section of the Estate Planning Team
Partnerships - formation, operation and termination, and the various tax implications
Post Mortem Elections and Their Consequences
Private Annuities and Their Use in Estate Planning
Proposed Regulations Defining Associations Taxable as Corporations
Pseudo Corporations
Savings of Income and Estate Taxes Through use of Inter Vivos Gifts
Stock Redemptions
Tax Accounting Problems of Executors
Trust Officer Looks at Estate Planning
Tax Planning for the Small Estate
Travel and Entertainment

2. Presented other than by CPAs

Administration of Estates
A Lawyer's Practical Application of Theoretical Estate Planning
A Life Underwriter's Practical Application of Theoretical Estate Planning
Business Purchase Agreements in Estate Planning
Buy and Sell Agreements - Funded and Unfunded
Can There Exist an Estate Planning Team?
Comments on Kintner Type Associations
Cooperation With the Professions
Corporate Trusteeships
Current Developments in the Use of Life
Insurance in Estate Planning
Discussion of Basic Terminology
Do's and Don't's of Estate Planning
Effect of Title Holding On Income and Death Taxes
Estate Planning and Buy and Sell Agreements
Estate Planning for the Farmer and Small Business Man
Estate Planning for the Prospect's Benefit
Estate Planning With Life Estates
Experiences With Estate Planning Councils
Gifts
Hidden Liabilities of Executors and Trustees
Income, Estates and Gift Tax Consequences of Life Insurance Transactions
Income Settlements on Life Insurance
Insurance - How to Use It
Interesting Stories About the Estate Planning Process
Investments for Estate Planning
Joint Tenancies
Legislation Regarding Joint Tenancies
Life Insurance Options
Life Insurance Trusts
Living Trusts in Estate Planning
Mutual Funds
Non-Tax Considerations for Estate Planning
Organization and Programs of Estate Planning Councils
Pension and Profit Sharing Plans
Place of Community Foundations in Estate Planning
Place of the Charitable Trusts and Contributions in Estate Planning
Pour-Over Trusts
Profit Sharing Plan for Small Business
Progress of a Tax Case Through Tax Court
Recent Developments and Current Problems in Estate Planning
Revocable Trusts in Lieu of Will
Selection of Investments for Trusts
Self Administered Profit Sharing and Pension Plans
Short Term Trusts
Stock Redemption
Taxation of Community Property in Estate Planning
Taxation Problems Under Various Deferred Compensation Plans
Tax Apportionment Laws - Recent Developments
Tax Problems of the Grantor of a Living Trust
Tax Saving Opportunities During Estate Administration
Typical Estate Problems
Use of Group Term Life Insurance in Estate Planning
Use of Powers of Apportionment and Fiduciary and Beneficiary Powers in Estate Planning
Use of Trusts in Estate Planning
Valuation and Taxation of Real Estate
Valuation of Closely Held Business Interest
Variable Annuities
Various Tenancies in Property Ownership and Their Effect on Taxes and Disposition at Death
Wills

F. Council Membership: Benefits to CPAs

1. Presents opportunity for exchange of ideas with other members of the Council.

2. Insurance men, lawyers, and trust officers are advised of the services which the CPA renders to his clients.

3. Acquaints the CPA with the role of the other Council members in estate planning.

4. Council meetings are a medium by which current developments can be reviewed thoroughly.

5. Permits CPA to acquaint better the other members of the estate planning team of the contributions he can make in planning estates.

6. Creates an awareness and permits the development of respect and appreciation of the contributions which can be made by each member of the estate planning team.

7. Promotes good will.

8. Council provides a medium for the discussion of common problems by both Council members and guest speakers from other Councils.

9. Permits CPA to serve his clients better.

10. Promotes personal friendship and fellowship.

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