

## PAYING THE ESTATE TAX BILL

The federal government will not accept a percentage of your estate as payment for your estate tax bill. Instead, **your estate tax bill must be paid in cash**, and it must be paid within nine months after your death. If your estate is subject to the federal estate tax, there are **FOUR** ways to provide your estate with the cash needed to pay your estate tax bill:

### 1. 100% METHOD

You could accumulate enough cash in your estate to pay your estate tax bill outright. Rarely, however, does a successful person accumulate such large sums of cash. Instead, the reason for financial success is usually due to the investment of cash in appreciating assets, rather than accumulating it in a bank.

### 2. 100% PLUS METHOD

Your estate could borrow the cash needed to pay your estate tax bill. This, however, only defers the problem, since the money will then have to be repaid with interest.

### 3. ASSET LIQUIDATION METHOD

Your estate could liquidate sufficient assets to pay your estate tax bill. This choice may make sense if your estate owns considerable assets that can be readily sold for a gain following your death. Keep in mind, however, that if a forced liquidation is necessary, it may bring only a small fraction of the true value of your assets. In addition, sales expenses are bound to be incurred.

### 4. DISCOUNT METHOD

Assuming you qualify, you can arrange now to pay your estate tax bill with life insurance dollars. For every dollar your estate needs, you can give an insurance company from approximately one to seven cents a year, depending on your age and health. No matter how long you live, it is unlikely you will ever give the insurance company more than 100 cents on the dollar. In addition, the life insurance policy can frequently be structured to accommodate your unique premium payment requirements.

**Please contact my office for more information on estate taxation and strategies you may be able to use in order to minimize your estate tax bill.**

Brought to you by:



**Phillip Scheiber, FICF**  
S & R INSURANCE  
SERVICES  
1008 Lexington Avenue N.  
New Prague, MN 56071  
Office: (952) 649-0504  
pscheiber@tcunderwriters.co  
m  
finsecurity.com/pscheiber

#### About our firm:

S & R Insurance Services, was founded in 1996 in New Prague, Minnesota. We are in the asset protection business. Using a variety of planning tools, S & R Insurance Services provides our clients with peace of mind and security. Not one of our clients has ever lost a dime, had an unnecessary probate, or lacked the proper documents. Each client has obtained guaranteed lifetime income that is not affected by stock market returns. This is our area of expertise.

## QUOTES

*from the Masters...*

### On Innovation

"The functions of the executive are innovation and marketing. How much time do you spend on each?"

**-- Brian Tracy**

"We are more ready to try the untried when what we do is inconsequential. Hence, the remarkable fact that many inventions had their birth as toys."

**-- Eric Hoffer**

### On Potential/ Possibilities

"You are infinitely lovable, infinitely desirable, because the One who most desires and loves you is also infinite."

**-- Deepak Chopra**

"Man's mind, once stretched by a new idea, never regains its original dimensions."

**-- Oliver Wendell  
Holmes, Jr.**

"The average person works at 50 percent or less of potential. Your job is to unleash that extra 50 percent."

**-- Brian Tracy**

## MESSAGES

*from the Masters...*

### LIVE WITH AN ATTITUDE OF GRATITUDE

*by Glen Hopkins*

Imagine for a moment one of those nights when you just can't fall asleep and you have to get up early the next morning for a very important meeting. Your alarm clock goes off early in the morning waking you from what little sleep you had. You stumble out of bed, have a quick shower, grab a coffee and some toast, and off you go to fight the traffic on the way to work.

Does that sound like the start of a terrible day? Most would answer 'yes.' A few people, however, would answer, 'no.' These are the people who are blessed with a gift, a gift which determines how they view their life. These people live with 'an attitude of gratitude.' For them, the situation described could be worse. Much worse. For example, think of the man who doesn't have a bed, let alone a roof over his head. When he is awoken from what little sleep he is able to get, it is by the rain falling on his cold body. He too stumbles to his feet and begins his journey to work in his bare feet. His work is in the field of survival. He searches through garbage cans for scraps of food to eat and odd bits of clothes to keep him warm.

The purpose of this example is to illustrate that we all have so much to be grateful for. Even in times when it seems that nothing could be worse, there is always a reason to be grateful. And when you feel a sense of gratitude, you feel a sense of happiness and contentment. My challenge to you today is to learn to look for the good in every situation and live with 'an attitude of gratitude.' You have to focus on what's good in your life, not what's bad.

Life works in mysterious ways. Time and time again there have been stories of people who are in a dire strait yet they are found helping others who are experiencing greater turmoil. This is because once you have helped someone in greater need than yourself, you always feel better because you change your mindset from focusing on your problems to focusing on their solutions. Always focus on the solution, not the problem and live with an attitude of gratitude!

I challenge you to take a moment to think of five things in your life that you are grateful for today. For example, your friends, your family, your job, your sense of smell, touch, sight, and sound. Imagine what your life would be like without these things. Write them down on a piece of paper and really think about what you are grateful for. You will be amazed at how great you will feel!

---

The purpose of this newsletter is to provide information of general interest to our clients, potential clients and other professionals. The information provided is general in nature and should not be considered complete information on any product or concept described.

For more complete information, please contact me (Office: (952) 649-0504).

*Published by The Virtual Assistant; © 2012 VSA, LP*