Southern New Hampshire University

TAX 655 Milestone Three Guidelines and Rubric

You will submit a draft of your tax planning proposal and strategic plan recommendation regarding the client's estate. You must also address the tax effects of selling the business prior to the death of the founder. This assignment will address Section I, Parts F through J of the final critical elements of the final project.

Specifically, the following **critical elements** must be addressed:

I. **Memorandum**
   F. Create a detailed **tax planning proposal** explaining how the client's family can experience tax savings should the client pass away. Cite relevant governing rules and regulations.
   G. Illustrate a **strategic plan** that addresses the need for a will in handling the estate. Detail what happens to the business, land, and investments consistent with tax codes and regulations. Consider extending the plan to address the client's estate tax, trust, and charitable contributions while minimizing estate tax.
   H. Recommend **estate planning strategies** consistent with tax codes and regulations for the purpose of reducing the taxable estate. Be sure to include gifting property to heirs in your response.
   I. Illustrate the best course of action if the client decides to leave the business in three years. Provide some advice to him should he decide to **gift** the business to his daughter **or transfer the assets** or common stock to her, depending on the business entity you have selected.
   J. Illustrate the best course of action if the client wishes to **sell the business**. Consider the tax consequences with regard to capital gains and losses, ordinary income issues, and selling an existing operating business.

Guidelines for Submission: Your paper must be submitted as a 2–3-page Microsoft Word document with double spacing, 12-point Times New Roman font, one-inch margins, and at least three sources cited in APA format.

Critical Elements	Proficient (100%)	Needs Improvement (75%)	Not Evident (0%)	Value
Memo: Tax Planning Proposal	Creates a tax planning proposal explaining how the family can experience tax savings should the client pass away	Creates a tax planning proposal but details are inaccurate or irrelevant	Does not create a tax planning proposal	18
Memo: Strategic Plan	Illustrates a strategic plan that addresses the need for a will in handling the estate, which includes the business, land, and investments, consistent with governing code and regulations	Illustrates a strategic plan that addresses the need for a will, but details lack coverage of business, land, or investments or are not consistent with governing code and regulations	Does not illustrate a strategic plan that addresses the need for a will	18
Memo: Estate Planning Strategies	Recommends estate planning strategies consistent with governing code and regulations, including gifting property to heirs	Recommends estate planning strategies but details are inaccurate or cursory	Does not recommend estate planning strategies	18

Memo: Gift or Transfer the Assets	Illustrates the best course of action the client should take including advice on gifting or transferring assets if he leaves the business in three years	Illustrates a course of action the client should take if he leaves the business in three years but details are either inaccurate or irrelevant	Does not illustrate the best course of action the client should take if he leaves the business in three years	18
Memo: Sell the Business	Illustrates the best course of action if the client wishes to sell the business and includes tax consequences when selling an existing operating business	Illustrates a course of action if the client wishes to sell the business, but details are inaccurate or cursory	Does not illustrate a course of action if the client wishes to sell the business	18
Articulation of Response	Submission has no major errors related to citations, grammar, spelling, syntax, or organization.	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas.	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas.	10
			Total	**100%**