

# Trusts & Estates

The Journal of Wealth Management for Estate-Planning Professionals—Since 1904

## Save Time and Money with Automated Drafting

“Wealth Transfer Planning” software is a state-of-the-art drafting system for taxable states

by **Donald H. Kelley**

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**W**ealth Transfer Planning (InterActive Legal Systems), by Jonathan G. Blattmachr and Michael L. Graham, is a sophisticated automated drafting system for estate-planning documents. A state-of-the-art drafting system for taxable estates, Wealth Transfer Planning (WTP) is continually enhanced with additional features and documents.

The difficulty associated with this excellent software package is the high level of sophistication that many of the documents require. It increases the learning curve for the product and may be beyond the level of some user's.

But pluses are many. In fact, David T. Leibell, a partner in the Stamford, Conn. office of Wiggin Dana LLP, a law firm that uses WTP, happened—unsolicited—to sing the software's praises the other day to one of our editors. “It's a terrific system. “Everybody should be using it.” Leibell said. “Why would you self create when this is out there?”

One of the most striking advantages to WTP is how it centralizes client information. WTP's internal database stores client data and drafting choices; it also organizes client information and documents. Document production is based on HotDocs (HotDocs Player software is included with the program). The WTP interface insulates the user from the mechanics of HotDocs. WTP is designed for individual and network operation on PCs and operates on Windows or Citrix networks.

Initially, you enter client data and contact data for the client's family and advisors. WTP even includes a facility to search for client names. You then are presented with a choice of documents to prepare. The interface displays tiered client documents on the left side of the screen. The right side of the screen displays a list of document actions associated with each document. A question list helps WTP develop planning recommendations for you.

When you select a document, you are presented with a series of questions (referred to as Interviews) designed to elicit the specific design of the document. The questions allow you to choose the plan content. Based on the client information and planning choices that are entered through the Interview process, WTP assembles the selected document and displays it in your word processor. You may select Word (versions through 2007) or WordPerfect (versions 11 through X4). A special WTP styles toolbar appears in the word processor. You may edit your document in your word processor and create a two level table of contents with the click of a mouse.

WTP is based on templates, consisting of rich text format files with document text and profiles. The templates, through the HotDocs system, apply the variables and rules that determine which text is included in the selected document. Profiles are sets of questions that apply to a selected document.

Recent additions that enhance the functionality of WTP include:

- Document Packages, which allow users to create an entire estate plan with a single interview;
- a Freeze Document feature, which allows users to keep multiple iterations of drafts in the system for comparison purposes;
- a custom toolbar for Word 2007; and
- expanded customization

Another element of the document assembly functionality in WTP includes the automatic inclusion of a qualified domestic trust in the will if the spouse of a client is a non-citizen. Also, revocable trust forms and specific tax-planning techniques (for example, unified credit in a decoupled state) may be selected with the program. WTP creates mirror-image documents for spouses by duplicating the one prepared for the first spouse and

then rerunning the Interviews for the second spouse. A Preferences screen allows you to set documents to the format with which you like to work.

WTP is updated regularly and updates are automatically downloaded and installed.

## Other Offerings From Interactive Legal Systems

The publisher also offers Elder Law & Special Needs Planning software by Thomas J. Begley, Jr., Andrew H. Hook, Bernard A. Krooks and Stephen J. Silverberg.

Elder Law & Special Needs Planning addresses estate planning for elder and special needs clients, special needs planning, powers of attorney and guardianships, various interfamily transactions, retirement asset planning, health and long-term planning (including Medicaid planning), reverse mortgages, and transfers to disabled children.

InterActive Legal Systems also offers Essential Estate Planning software by Jonathan G. Blattmachr and Michael L. Graham. A basic estate-planning system for non-taxable estates, Essential Estate Planning addresses planning for clients with means more modest than those who require Wealth Transfer Planning.

According to the publisher, Wealth Transfer Planning, Elder Law & Special Needs Planning, and Essential Estate Planning all have three layers: (1) a content layer (the templates, Q&As, and other legal materials); (2) a proprietary SmartContent front-end database (patent pending); and (3) the HotDocs assembly engine.

Available in both standard and professional versions, these products are designed to provide assistance in planning and drafting. The professional versions include unlimited technical and content support, and free access to all of the Leimberg Information Services research tools. The InterActive Legal Systems website includes archives of articles by the authors.

## Competitive Products

There are a number of other will and trust drafting systems available.

Drafting Wills and Trust Agreements on GhostFill (ThomsonReuters), by Michael L.M. Jordan, is a software program for the assembly of wills, revocable trusts and other documents.

WealthDocs (WealthCounsel) is a software solution for the automated assembly of estate-planning documents. It includes a series of Practice Systems (or modules) that automate drafting.

Lawgic (Lawgic Publishing Company) is a state-specific trusts and estates drafting program available for California, Florida, Georgia, Maryland and New York. The system

produces wills, disability planning documents and a number of trusts.

Trust Plus (ThomsonReuters) produces basic wills and trusts, both revocable and irrevocable. Included, among other documents, are state-specific powers of attorney and living wills.

## What's It All About?

Wealth Transfer Planning produces comprehensive wills and revocable trusts (including pour over wills, disclaimer wills, joint revocable trusts with complex generation-skipping tax planning, and a four trust will addressing state estate tax planning with a trust for the excess federal qualified terminable interest property) with the typical range of marital deduction and credit trust variations. State-specific language is included for all states and the District of Columbia. Identifying the client's state of legal residence (for wills) or the state of governing law (for trusts) directs WTP as to which state-specific language to use.

Wealth Transfer Planning includes client engagement letters, fee agreements and intake questionnaires, from which it generates a letter that lists and summarizes the planning documents prepared. It allows the import of contact records from Microsoft Outlook and integrates with Time Matters software.

In addition to forms for qualified personal residence trusts (QPRTs), grantor retained annuity trusts (including walton-style GRATs), grantor retained unitrusts, various defective grantor trusts, living qualified terminable interest property trusts, split purchase trusts, charitable split interest trusts (including net income with makeup charitable remainder unitrusts), charitable trusts, irrevocable life insurance trusts, Section 2503(c) trusts for minors, community property agreements, and marital agreements, Wealth Transfer Planning has added forms for:

- Extra Crummey trusts (described in “New WTP Form: Extra Crummey Trust: It May Be the Best Annual Exclusion Vehicle Around” by Jonathan G. Blattmachr and Michael L. Graham and “Planning Options for UTMA Accounts and Other Transfers to Minors” by Stephanie E. Heilborn and Jonathan G. Blattmachr);
- supercharged credit shelter trusts for dealing with unequal spousal estates (described in “Supercharged Credit Shelter Trust” by Jonathan G. Blattmachr and Diana S. C. Zeydel and “The Supercharged Credit Shelter Trust Super Idea for Married Couples Is Now on WTP” by Mitchell M. Gans, Jonathan G. Blattmachr and Diana S.C. Zeydel);
- multiple options to fully utilize exemptions of both spouses regardless of order of deaths;

- testamentary special needs trusts for all, or specified, beneficiaries;
- joint irrevocable trusts;
- single beneficiary trusts
- Louisiana compliance and state-specific documents;
- pre-residuary cash gifts in trust;
- installment sales to grantor trusts (see Jonathan G. Blattmachr and Michael L. Graham's "Gift Tax Safety Nets for Installment Sales to Grantor Trusts");
- charitable remainder trusts with a "term of years" option; and
- powers of attorney, living wills and health care directives for a variety of states (including Alaska, Arizona, Connecticut, Florida, Indiana, Kansas, Maryland, Minnesota, Missouri, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, Texas, Virginia, and Washington).

The available forms are described in detail in *Wealth Transfer Planning V. 4.0 Update – Release Notes*.

WTP also delivers strategic planning memoranda discussing estate and tax-planning strategies for a variety of planning devices and situations, including:

- generation skipping tax (GST) planning;
- extra Crummey trusts;
- estate planning for domestic partners;
- using a GRAT vs. an installment sale to a grantor trust;
- charitable giving (charitable remainder trusts, charitable lead trusts, private foundations);
- using a split purchase trust in lieu of a QPRT (described in "Estate Planning for Persons with Less than \$5 Million" by Jonathan G. Blattmachr, Georgiana J. Slade and Bridget J. Crawford);
- tax planning in decoupled states;
- structuring marital, family and descendants trusts;
- using cascading Crummey powers (described in "Cascading Crummey Powers" by Jonathan G. Blattmachr and Michael L. Graham) to avoid the GST;
- dealing with carryover basis (see Jonathan G. Blattmachr's, "Planning for the Unknown for 2010 and Beyond – Carryover Basis and No Estate Tax or a Revised Wealth Transfer System" (Evaluation Services, Inc.) and Jonathan G. Blattmachr's, "Fingernails on the Blackboard: Thinking About the Possibility of Carryover Basis in 2010"); and
- the supercharged credit shelter trust for married couples.

## What About Help and Support?

Support options for WTP include email, telephone or live online service, which includes chat and online control of your system, if granted. Support is free for 30 days after purchase and is fee-based thereafter. For the standard plan, support plans can be paid based on a per-incident basis or through a yearly support plan. Support is included in the professional plan.

Help for WTP includes a tutorial and online support. Basic training, formatting and planning and drafting classes are available.

A Resources Library is available on the publisher's website. The publisher also provides WTP and Elder Law & Special Needs Planning discussion forums.

## Where Do You Get This Software?

Wealth Transfer Planning and other InterActive Legal Systems products are available from

Interactive Legal Systems  
6767 N. Wickham Road, Suite 305  
Melbourne, FL 32940  
Phone (321) 252-0100  
Fax (866) 249-6649  
Website: [www.interactivelegal.com](http://www.interactivelegal.com)

**Pricing:** A matrix with the complete pricing system (based on the product and number of users) for all the Interactive Legal System products is available at [www.ilsdocs.com/products/pricing.php](http://www.ilsdocs.com/products/pricing.php)

Trusts & Estates magazine is pleased to present the monthly Technology Review by Donald H. Kelley—a respected connoisseur of the software and Internet resources wealth management advisors use to further their practices. Kelley is a lawyer living in Highlands Ranch, Colo. and is of counsel to the law firm of Kelley, Scritsmier & Byrne, P.C. of North Platte, Neb. He is the co-author of the *Intuitive Estate Planner Software*, (Thomson – West 2004). He has served on the governing boards of the American Bar Association Real Property Probate and Trust Section and the American College of Tax Counsel. He is a past regent and past chair of the Committee on Technology in the Practice of the American College of Trust and Estate Counsel.

Trusts & Estates has asked Kelley to provide his unvarnished opinions on the tech resources available in the practice today. His columns are edited for readability only. Send feedback and suggestions for articles directly to him at [dhkelley@qwestoffice.net](mailto:dhkelley@qwestoffice.net).