

# WealthTec® PlanXPRT

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Advanced Planning Back Office Support

*For Professional Wealth Advisors*

WealthTec LLC

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# WealthTec PlanXPRT Overview

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- Advanced planning back office report generation
  - Strategic wealth planning illustrations
    - Integrated cash flow analysis
    - Complex tax planning
    - Comprehensive estate planning
  - Tactical wealth planning illustrations
    - Focused, on-the-margin financial, tax and estate planning
    - Cutting-edge techniques with comparisons to baseline
- Developed by the author of WealthTec Suite, a former practitioner specializing in planning for HNW and UHNW clients

# Strategic Wealth Planning Reports

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- Comprehensive lifecycle planning
  - Integrated lifetime cash flow and net worth projections
  - Detailed income tax calculations, including the AMT
  - Extensive employer stock modeling capabilities
  - Lump-sum distributions with net unrealized appreciation
  - Roth IRA conversions
  - Executive compensation plans
  - Basic-to-advanced estate planning
  - Monte Carlo simulations
- Side-by-side case comparisons

# Strategic Estate Planning Reports

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- Comprehensive estate planning
  - Flowcharting
  - Specific bequests
  - Bypass trusts, marital trusts and ILITs
  - Outright gifts
  - Family entities with valuation discounts
  - Estate freeze planning with split-interest trusts
  - Planned charitable giving
  - Lifetime and testamentary GST planning
- Side-by-side case comparisons

# Tactical or Focused Planning Reports

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## Tax-Deferred Plans

- Leveraged IRAs
- Roth IRA conversions
- IRA to CRT
- Nonqualified plan to CRT

## Planning with Life Insurance

- Pension maximization
- Buy term and invest the difference
- CRTs + wealth replacement trusts

## Estate Freeze Techniques

- Sale to grantor trust
- Rolling GRATs
- RPM annuity trusts
- Outright gifting techniques
- SCINs and private annuities

## Planned Charitable Giving

- CLTs, CRTs and gift annuities
- Specialized NIMCRUTs
- Charitable GRATs

# WealthTec PlanXPRT Screenshots

Strategic Wealth Planning Illustration - Recommended Allocations & Advanced Planning

### Financial Assets & Cash Flow Summary

Jack & Jill Family

Category	Value
Cash Flow Sufficiency & Financial Asset Depletion	NA
Cash flow needs are met in all years between 2014 and 2046	NA
First year when financial assets are depleted	NA
Jack's attained age at year end when financial assets are depleted	NA
Appropriate ending financial asset balances	148,643
Outstanding balance of deficit funding loan in 2046	2,716,863
Present value of projected cash inflows between 2014 and 2046	20,341,372
Present value of projected cash outflows between 2014 and 2046	23,743,940
Present value of cash flow surplus/deficit	7,402,832

Grantor Retained Annuity Trust - Transfer SMMI ShopRight, Inc. to 8-Year GRAT or Five Rolling GRATs

### Rolling GRATs Illustration

Jack & Jill Family

Assumes a Level Annuity, Five Rolling 2-Year GRATs and No Sale of Transferred Property during the GRAT Term

Jack & Jill Family

2015: \$1,022,153  
2016: \$470,112  
2017: \$697,272  
2018: \$562,419  
2019: \$610,920

Net to Heirs: 2010 \$10,097,919

Charitable Lead Annuity Trust - Transfer SMMI ShopRight, Inc. to 20-Year CLAT

### Sensitivity Analysis - CLAT Payout Rates

Jack & Jill Family

Payoff	Charitable Transfers	Net to Heirs	Projected Adul/Disadv
5.00%	\$21,307	\$32,251	-63,372
7.00%	650,000	4,032,658	-335,975
9.00%	1,170,000	2,801,224	-767,399
11.00%	1,430,000	2,809,873	-1,468,755
13.00%	1,890,000	1,904,276	-2,464,357
15.00%	3,950,000	508,523	-3,859,118

The illustration above shows the impact of the CLAT payout rate assumption on the projected results. The graph shows the relationship between the CLAT payout rate and all the charitable deduction, to the cumulative payments to charity and (1) the net projected transfer to heirs. All other assumptions are the same as those listed on the Assumptions schedule.

GRAT vs. Sale to Grantor Trust - Estate Freeze Planning Technique Comparison for ShopRight, Inc.

### Summary

Jack & Jill Family

	Baseline	GRAT	Rolling GRATs	Sale to Grantor Trust
In 2023	NA	23	37	325,000
Value of trust at the end of the GRAT or note term	NA	3,575,108	4,271,782	6,623,482
Grantor's accumulations-estate depletion	13,209,289	7,859,319	6,895,710	2,563,210
Total transferable value in 2023	13,209,289	13,209,287	13,209,278	13,209,285
Estate taxes or tax savings	-3,899,769	-2,422,804	-2,104,703	-1,105,084
Deferred capital gains and Medicare taxes	0	-413,400	-1,309,656	-1,917,524
Net to heirs	9,309,520	9,872,623	10,989,819	18,586,772

Planning advantage/disadvantage over baseline: 576,445 / 624,455 / 786,341 / 824,000

Present value of advantage/disadvantage @ 3.0%: 424,455 / 591,808 / 620,723 / 620,723

NOTE: Please refer to the accompanying reports illustrating the GRAT and installment sale to grantor trust planning techniques for the detailed schedules, charts and planning assumptions used for this comparative analysis.

Cash Flow Illustration - Retirement Cash Flow Illustration

### Trend Analysis Sensitivity

Jack & Jill Family

(A) = JACK'S AGE; (B) = JILL'S AGE

RETIREMENT AGE SENSITIVITY						
Retirement Age	Present Value of Projected Cash Inflows	Present Value of Projected Cash Needs	Projected Capital Surplus/Deficit	Age When Funds Are Depleted	Ending Financial Asset Balances	Outstanding Deficit Funding Loan
60	5,037,379	7,811,528	-2,774,150	819 (A)	0	10,483,003
61	5,260,823	7,816,526	-2,555,703	819 (B)	0	8,069,879
62	5,500,148	7,820,884	-2,320,736	839 (B)	0	5,688,212
63	5,755,987	7,824,958	-2,068,971	869 (B)	0	3,221,771
64	6,029,951	7,828,823	-1,798,872	899 (B)	0	676,579
65	6,309,228	7,832,472	-1,523,245	NA	3,919,716	0

The table above illustrates the impact of Jack's retirement age on the results of this 38-year illustration.

PORTFOLIO GROWTH RATE SENSITIVITY						
Portfolio Growth Rate	Present Value of Projected Cash Inflows	Present Value of Projected Cash Needs	Projected Capital Surplus/Deficit	Age When Funds Are Depleted	Ending Financial Asset Balances	Outstanding Deficit Funding Loan
3.0%	7,192,358	13,524,097	-6,331,739	749 (A)	0	18,157,753
2.0%	6,310,719	10,862,818	-4,552,101	789 (A)	0	13,682,589
4.0%	6,916,987	8,559,799	-1,642,812	849 (B)	0	4,789,897
6.0%	6,330,645	7,942,308	-1,611,663	NA	27,846,773	0
8.0%	6,315,162	5,919,420	495,742	NA	77,435,452	0
10.0%	6,289,003	5,966,443	322,560	NA	173,899,959	0

The table above illustrates the impact of annual pretax portfolio growth rates on the results of this 38-year illustration.

INFLATION RATE SENSITIVITY						
Inflation Rate	Present Value of Projected Cash Inflows	Present Value of Projected Cash Needs	Projected Capital Surplus/Deficit	Age When Funds Are Depleted	Ending Financial Asset Balances	Outstanding Deficit Funding Loan
2.0%	6,075,209	7,059,779	-933,569	NA	10,515,189	0
2.5%	5,770,479	7,394,784	-1,624,305	NA	687,034	0
3.0%	5,500,148	7,820,884	-2,320,736	839 (B)	0	5,688,212
3.5%	5,339,518	8,290,798	-2,951,279	819 (A)	0	11,767,170
4.0%	5,248,965	8,811,378	-3,562,413	799 (A)	0	18,047,748
4.5%	5,183,421	9,388,342	-4,204,921	779 (B)	0	24,654,892

The table above illustrates the impact of the annual inflation rate on the results of this 38-year illustration.

Strategic Wealth Planning Illustration - Recommended Allocations & Advanced Planning

### Estate Flow Illustration in 2046

Jack & Jill Family

Illustration Assumes That Death Occurs in 2046

Assets: Projected Net Worth \$648,488; Irrevocable Trusts \$144,084,877; Total Insurance \$6,872,289

Distributions: Gross Estate \$648,488; Charitable \$911,945; System Trust \$11,827,042; Net to Heirs \$1,693,582; Net to 2nd Gen \$147,985,342

Taxes: Estate Settlement \$12,399; Income & Extended Taxes \$24,749,237; 2nd Gen Estate Taxes \$1,997,148

Final Net: Net to Heirs \$1,693,582; Net to 2nd Gen \$147,985,342; Total \$149,678,924

# WealthTec PlanXPRT Summary

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- Advanced planning back office support via report generation
- Strategic and tactical wealth planning illustrations
- What-ifs and side-by-side case comparisons
- Developed by an experienced planning practitioner and software developer
- Can supplement or replace in-house financial and/or estate planning software
  - Reduces investment in technology and training
  - Allows for increased client face time