



East Bay Council News

May 2008

President's Message

Let's get down to business. First, we need to address the related business, such as electing officers and directors. It is the season for such, after all. Then, we'll address, or Erik Dryburgh will address the unrelated business.

Throughout this year the Board of Directors has considered at length the role of your Council ("EBEPC") in a changing professional environment. A whole new profession has been created this year, the private professional fiduciary, which is expected to become familiar to all estate planners who have to address the administration of the estates, both planned and unplanned. Should these new professionals be cast as a new category of member in the EBEPC, or recognized as an allied profession which is welcome to populate the member-at-large category? We have concluded that the core of our membership should remain focused on estate planning, rather than administrative service delivery.

Estate planning historically has been focused on technical legal constructs and tax accounting. The significance of some elements of the estate planning equation may change as tax laws eliminate for many, if not for

"Unrelated Business Income – What You Need to Know"

Tax season has come to an end and our CPA members are free at last! With that in mind, we saved the most tax technical topic for our May meeting. Public charities, private foundations and charitable remainder trusts all have to be concerned with generating Unrelated Business Income (UBI). In particular, contributions of encumbered property to a CRT and certain investments made by a CRT can generate UBI - and CRTs are now subject to a 100% federal tax on UBI.

Erik Dryburgh, J.D., CPA, is a principal in the law firm of Adler & Colvin, a law firm specializing in representing nonprofit organizations and their donors. Erik's areas of expertise include charitable giving, charitable estate planning, and not-for-profit organizations. He authored the chapter "Charitable Remainder Trusts," in *California*

Estate Planning, Continuing Education of the Bar (2002), published numerous articles on charitable gift planning, and is a co-editor of *The Charitable Gift Planning News*. He is a member of the Board of Directors of the NCPG and the San Francisco Estate Planning Council, and is a fellow of the American College of Trust and Estate Counsel (ACTEC).

Erik's presentation will review the basics of UBI and its impact on charities, foundations and CRTs. Whether you are a CPA, Trustee of CRTs, or an attorney who represents these professionals, you will undoubtedly have much to gain by joining us!

Monday, May 12, 2008

Scott's Seafood Restaurant

Jack London Square
Oakland

6:00 PM Wine Reception
6:30 PM Dinner Meeting

\$35.00 paid in advance
\$40.00 at the door

Please make your check payable to "EBEPC" and mail to Bonni in the enclosed return envelope before Thursday, May 8th or call 925.686.4819

all, the concern for planning to minimize estate tax consequences. We have deliberated over how the EBEPC may continue to be relevant and of service to our members as these changes occur.

As for unrelated businesses, I cede the floor to our next speaker.

- Tim Smallsreed

Meeting Sponsored By:

Nicole Acevedo and son
Auctions By The Bay
2700 Saratoga Street
Alameda, CA 94501
510.740.0220 x 130