

between the trust and the foundation, a brief review of your personal estate and economic situation should answer several questions you may have. I don't think there is any doubt that legal avoidance of probate and estate and inheritance taxes is desirable. Your next questions, however, might be "What activities and property might I place in a trust or foundation?" "Which properties go where?" "What effect does this have on my family and my financial situation?" "What are the tax consequences?" "What control will I have over the eventual use of my property?"

These questions will be discussed in their proper order. I think we should start with your present situation and discuss what it might become.

As we said before, major economic losses in terms of estate taxes and inheritance taxes, lawyers' fees and other "shrinkage" of an estate at the death of the owner only occur if the value of the owned estate is high. The smaller the estate the smaller will be the actual losses both in amount and percentage. One possible way of avoiding major losses is obviously not to own very much property. This does not mean that you could not control it through various other legal means, but you must not own it or retain such control that it is the same as personal