

from unlicensed persons is illegal and carries with it both criminal and civil penalties. This is a new doctrine of unauthorized practice of law and may be followed in other states. It is recommended that you avoid this practice until the U.S. Supreme Court makes a final decision in the case of the New York Lawyers' Association v. Norman Dacy which is presently pending in the United States Supreme Court. Your associate counsel should be trained in these three basic estate plans. Notify him ahead of the seminar of your intention to refer to him on this section to enable him to prepare properly.)

(1) Tax-exempt piggy bank procedure - The basic and minimal estate procedure that would be used to fund your foundation and through the foundation your private sphere, is through the use of the charitable deduction allowed under the Internal Revenue Code Section 170(b). This section allows any individual to deduct up to 20 percent of his adjusted gross income for donations made to private charities. If you are presently employed by a large organization over which you have little or no control, this procedure would enable you to fund your foundation with a maximum of 20 percent of your income without loss in terms of federal income taxes. You may, of course, donate more than 20 percent to your foundation, but you may not deduct