

Title: My Shares Are Going in Special Trust Where I Won't Pay Capital Gains and Can Donate 100% Tax-Free to a Private Family Foundation.....I'm Going to Use Those Capital Gains to Change the World (Update)

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It's called a 643 compliant trust, named after a specific IRS code.

No capital gains on stocks or real estate

No business/personal federal or state income taxes

No probate or estate taxes

Able to donate 100% of income to a Private Family Foundation

Complete privacy (my name is never public)

Ironclad asset protection (has held up against an eminent domain case)

I'm getting it set up this week and ready to go next week. Hours of paperwork yesterday, mostly because I had to think of names I could live with. You have to convey your stocks to the trust before the sale (the taxable event) to protect the gains. Same with real estate. You can also reassign business income and buy more stocks that way. Or both.

I'm in the US, for the record. This trust is legal in all 50 states.

I first heard about trusts like this about 10 years ago, but I couldn't get straight answers about them and never felt comfortable going through with it.

But it's been in the back of my mind for my GME gains. Personally, I use every legal method I can to reduce my taxes but I still want to be able to sleep at night. I'm sick of watching the utter incompetence of this government. 10 billion for a tax bailout for someone worth 140 billion? The SEC letting degenerate gamblers wreck the economy, AGAIN? Another housing, crisis, AGAIN? Don't even get me started on insulin prices and health care in this country.

They won't be good stewards of my money. But I will be. I'm fixing this planet. Investing in carbon and plastic-eating bacteria and algae. Cleaning the oceans and rivers. Recycling glass. Feeding people.

A few months ago I started asking about this trust on the various subs. I wasn't great at articulating it yet (maybe I'm still not) and I got a lot of "this isn't real, you're an idiot, etc."

But one person read my posts and said "I have a trust like this, my whole family has this trust, here's my lawyer" and the lawyer and I have hit off like old friends. She's a straight shooter.

I can't tag the person who introduced me to the trust here because their username resembles the stock who must not be named, by total coincidence. And yes, I've messaged the mods twice to get this user name allowed but never heard back. Their username starts with yam, plus a letter c and the number 0, so I'll call them the not sweet potato person.

I'm not an attorney or CPA and this is not financial advice, but as a layperson, here's how I understand it

works for all you tax nerds out there.

It's a common-law trust, and it is a non-grantor, non-self settled, irrevocable, discretionary, complex, spendthrift trust with dynasty provisions.

Most trusts you've probably heard of are self-settled, grantor-style trusts. The attorney shared that when she was at the Notre Dame Law Symposium in 2021 that the major topic of discussion was how 2021 was the end of self-settled, grantor-style trusts.

643 a portion of the IRS code that says that income from capital gains is corpus, not income since it's derived from assets in the corpus of the trust.

This trust also has a bunch of other unique provisions I can't explain, but the attorney does brilliantly. For example, you sell your assets to this trust, not gift, and it creates a neat way to draw from the trust for non-allowable expenses (food, fashion, and fun) in a very tax-efficient way.

It also eliminates the need for all tax-deferred plans, like a 401k, 529 college savings plan, or a 1031 real estate exchange.

I'm still getting my trust done (EIN, etc) so I haven't conveyed my stocks yet but the non-sweet potato person says that with the green broker, both accounts just show up in your portal and you can transfer them since you're the trustee. The lawyer did tell me that the green broker has sometimes liquidated the stocks first and she's gotten around it by using a money manager as an intermediary. Other brokerages you would want to talk to her first about.

With ComputerShare, to convey your assets to a trust, you have to fill out a physical form and have what's called a Medallion Signature Guarantee sign it. Like a special kind of notary, for securities. CS has an online company they work with to make it easier. Then it takes about a week once they get the form. You're always in control of the shares though.

I'm not sure if I'm transferring the shares held in my personal name or just going to let them live in the infinity pool forever.

Anyway, I'm really excited and I wanted to share it with y'all. Can you imagine the good we could do with that much more money? I know we're going to do so much good anyway, but having 37% more of it and being able to donate up to 100% of it to any non-profit, including a Private Family Foundation is just that much more to make an impact.

I bought my first shares at \$350 in January 2021, so my capital gains are all over the board. But the majority would be in the 37% pile if June is good to us.

I know I can't take care of everything that needs fixing across the world, but if each of us takes care of our corner of it, the GME saga will be the black swan event that changes everything, for the better.

I'm happy to try to answer questions, but none of it is financial advice, etc, and you'll want to verify everything with her company.

I did an overview call with the attorney a few weeks ago and it's almost ready to go up online. Keep an eye on this space and I'll link it when it's live.