



1

About me



Matthew T. McClintock, J.D.
Evergreen Legacy Planning LLP
 Partner
 Main phone: (877) 757-8120
 Email: mtm@evergreenlegacyplanning.com
 Website: www.evergreenlegacyplanning.com

Bespoke Service Company LLC
 Founder
 Email: mtm@bespokeservicecompany.com

<https://www.linkedin.com/in/mattmcclintock/>



bitcoin
accepted here

Evergreen Legacy Planning LLP is a law firm based in Evergreen, Colorado serving clients worldwide to design, implement, and sustain estate planning strategies that address both the quantitative tax outcomes and qualitative, value-driven outcomes that are most important to clients.

Matt has a special interest in helping clients plan for effective management and succession of cryptoassets and other complex or unusual assets, as well as helping families preserve and protect wealth for future generations.

Bespoke Service Company LLC is an advisory company serving family offices and private trust companies (PTCs), primarily serving crypto-affluent individuals and families. Within Bespoke Service Company, Matt frequently serves on clients' distribution, philanthropy, investment, audit oversight, and related committees within clients' PTCs and in certain cases, provides multisignature ("multi-sig") private key management and other support for clients' cryptoasset holdings.

©2022 Evergreen Legacy Planning LLP
 All rights reserved

2

The disclaimer

The information in this presentation is offered for general educational purposes only. It is not intended to constitute financial or investment advice, it is not intended to constitute legal advice, and it does not indicate or establish any attorney-client relationship. Always consult a licensed attorney before making any decision concerning your estate plan (or any other legal matter).

This content may constitute attorney advertising in some jurisdictions.

This presentation is copyrighted property of Evergreen Legacy Planning LLP, which is solely responsible for its content.

3

3

What we'll discuss

- Macro trends in crypto
- The "practical fragility" of digital wealth (and what to do about it)
- Special tax issues with crypto: what's known, and what isn't known
- The legislative & regulatory landscape
- Key strategy overviews
- Trust design considerations & drafting ideas



©2022 Evergreen Legacy Planning LLP
All rights reserved

4

4

BTC vs. Traditional Investments

Evergreen
LEGACY PLANNING

Bitcoin & Traditional Assets ROI (vs USD)

	Bitcoin	Gold	S&P 500
1 year:	+41%	-6%	+28%
2 year:	+526%	+16%	+48%
3 year:	+1,110%	+41%	+88%
4 year:	+171%	+37%	+75%
5 year:	+4,749%	+55%	+111%
6 year:	+10,592%	+65%	+139%
7 year:	+16,922%	+49%	+138%
8 year:	+4,959%	+47%	+161%
9 year:	+341,624%	+10%	+227%
10 year:	+681,797%	+12%	+274%

What is it: This shows bitcoin's ROI vs other potential inflation hedge assets.

Why it matters: As with the historical bitcoin price table, we see bitcoin's extreme outperformance vs other assets here as well. Bitcoin's relatively small size, plus fundamental properties, yield extreme outperformance when even relatively small fund-flows find their way to BTC.

Data Source: Messari.io, bitcoincharts.com

Source: <https://casebitcoin.com/charts>

©2022 Evergreen Legacy Planning LLP
All rights reserved

5

5

36-mo ROI (01/04/22)

Evergreen
LEGACY PLANNING

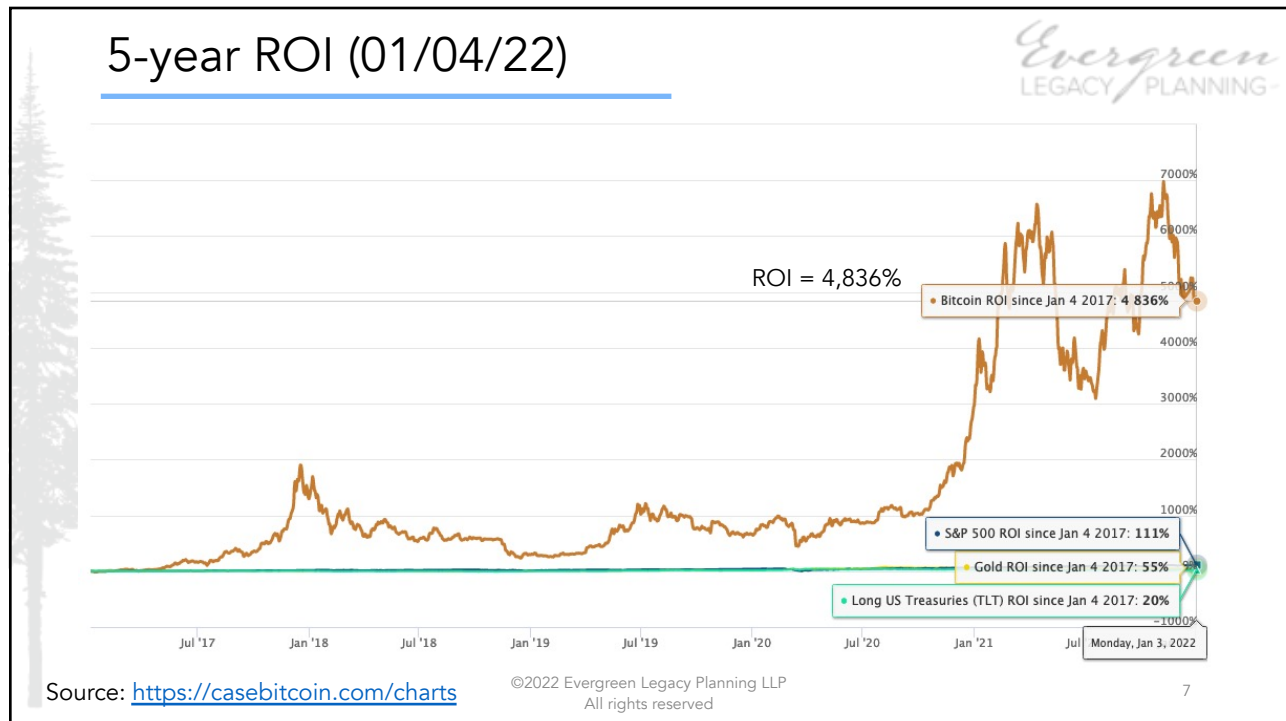


Source: <https://casebitcoin.com/charts>

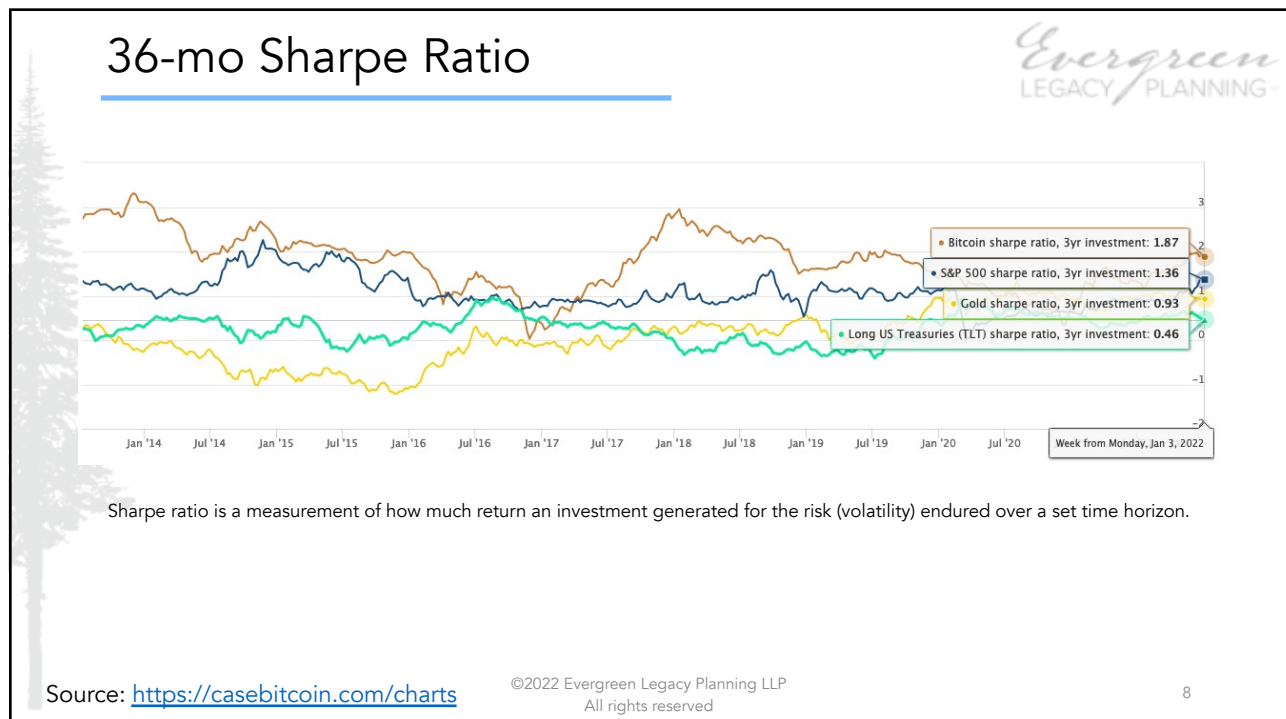
©2022 Evergreen Legacy Planning LLP
All rights reserved

6

6



7



8

5-year Sharpe Ratio

Evergreen
LEGACY PLANNING



Sharpe ratio is a measurement of how much return an investment generated for the risk (volatility) endured over a set time horizon.

Source: <https://casebitcoin.com/charts>

©2022 Evergreen Legacy Planning LLP
All rights reserved

9

9

BTC addresses > \$100k USD

Evergreen
LEGACY PLANNING



Source: <https://messari.io>

©2022 Evergreen Legacy Planning LLP
All rights reserved

10

10

BTC addresses > \$1m USD

Evergreen
LEGACY PLANNING



Source: <https://messari.io>

©2022 Evergreen Legacy Planning LLP
All rights reserved

11

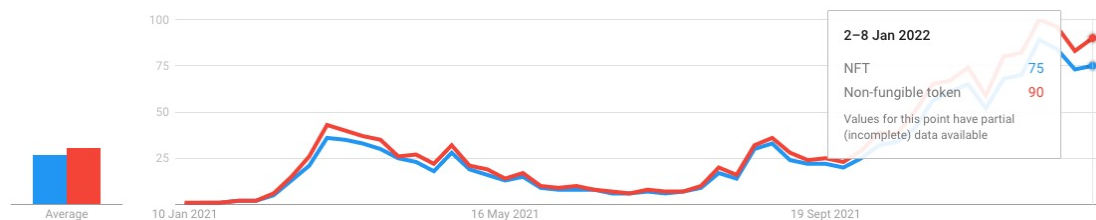
11

Google trends: NFTs

Evergreen
LEGACY PLANNING

(U.S. data only)

Interest over time ?



Interest over time



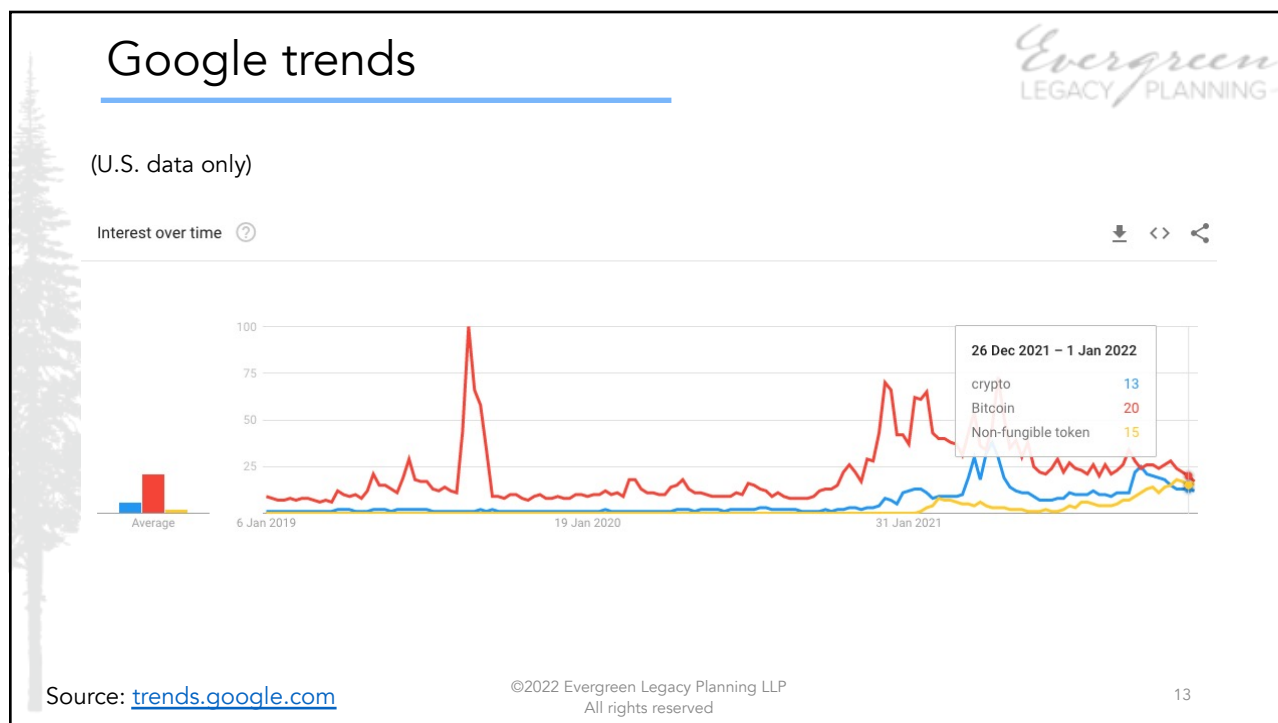
Numbers represent search interest relative to the highest point on the chart for the given region and time. A value of 100 is the peak popularity for the term. A value of 50 means that the term is half as popular. A score of 0 means that there was not enough data for this term.

Source: trends.google.com

©2022 Evergreen Legacy Planning LLP
All rights reserved

12

12



13

Increasing paths to exposure

- (Innumerable) exchanges
- NFT marketplaces
- Venmo, Paypal, Cash apps
- Hedge/venture funds
- Publicly-traded mining companies
- Energy companies
- Chip manufacturers
- Public funds
- Companies with cryptoasset treasuries

*...all leading to increased interest, adoption, and **direct token acquisition***

©2022 Evergreen Legacy Planning LLP
All rights reserved

14

"Practical fragility" for HODLers

©2022 Evergreen Legacy Planning LLP
All rights reserved

15

15

Being your own bank...

CORE TO THE CRYPTO ETHOS:

- Financial self-sovereignty; censorship-proof money
- DISINTERMEDIATION is core to the crypto ethos:

*"Banking the un-banked" and
"un-banking the banks"*

- Trusting DECENTRALIZATION is a key value
 - Reducing counterparty risk & preventing single points of failure



©2022 Evergreen Legacy Planning LLP
All rights reserved

16

16

...makes YOU the single point of failure

- Lost private keys = lost assets. Probably forever
- Decentralized nature of crypto prevents a single solution
- Different types of assets require different wallet solutions
- Different types of wallets require different management & succession solutions

©2022 Evergreen Legacy Planning LLP
All rights reserved

17

17

Oversimplified survey of cryptoscape

- Commodity/investment assets



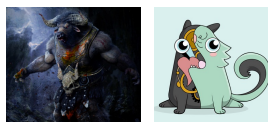
- Stabletokens/exchange assets



- DeFi leverage assets



- Non-fungible tokens (NFTs)



CryptoPunks
102.99 ETH
\$233,486.57

©2022 Evergreen Legacy Planning LLP
All rights reserved

18

18

NFT marketplaces...

Evergreen
LEGACY PLANNING

- <https://nftplazas.com/nft-marketplaces/>
- <https://opensea.io/>
- <https://ftx.us/nfts>
- <https://crypto.com/nft>
- <https://marketplace.axieinfinity.com/>
- <https://decrypt.co/80595/best-nft-marketplaces>



©2022 Evergreen Legacy Planning LLP
All rights reserved

19

19

So... Where's the "wealth"?

Evergreen
LEGACY PLANNING

- Ownership, not just licensing rights
- Trading market volatility
- Compensation
- "Surprise money": hard forks & air drops
- DeFi income: lending, staking, yield farming
- Royalties and "use" income (including NFTs)



©2022 Evergreen Legacy Planning LLP
All rights reserved

20

20

Managing private keys

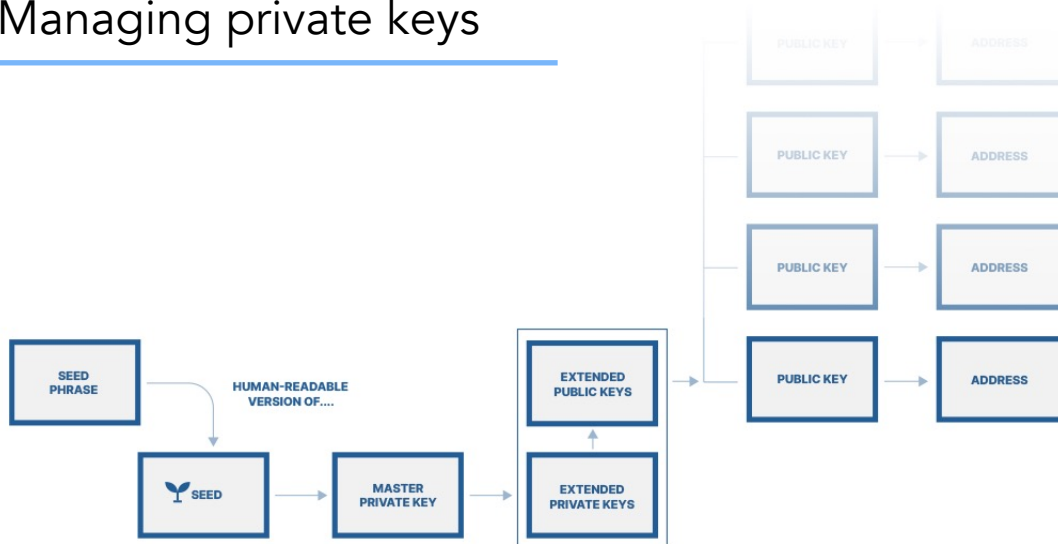
- Generally a 12- to 24-word “seed phrase”
- The seed phrase can be entered into any compatible wallet signature device to recover cryptoassets associated with the private key
- The private key (via the seed phrase) can create nearly infinite unique public addresses
- Developed from “BIP39;” uses human-readable words that when combined in a BIP39-compatible wallet, converts into binary code
- That binary code is the private key to the associated value stored on the blockchain (the “token”)

©2022 Evergreen Legacy Planning LLP
All rights reserved

21

21

Managing private keys



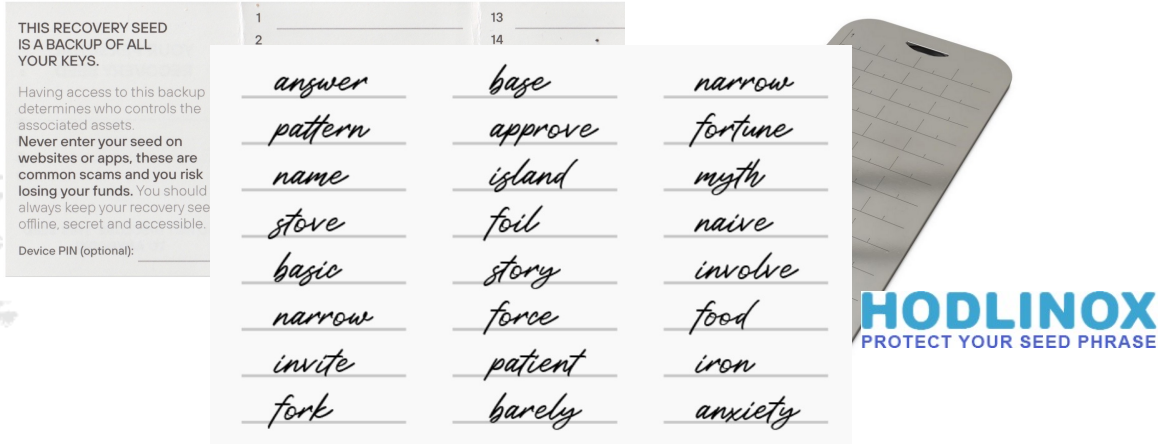
<https://unchained.com/blog/what-is-a-bitcoin-seed-phrase/>
Used with permission

©2022 Evergreen Legacy Planning LLP
All rights reserved

22

22

Private keys: Paper wallets



©2022 Evergreen Legacy Planning LLP
All rights reserved

23

23

Private keys: Cold wallets



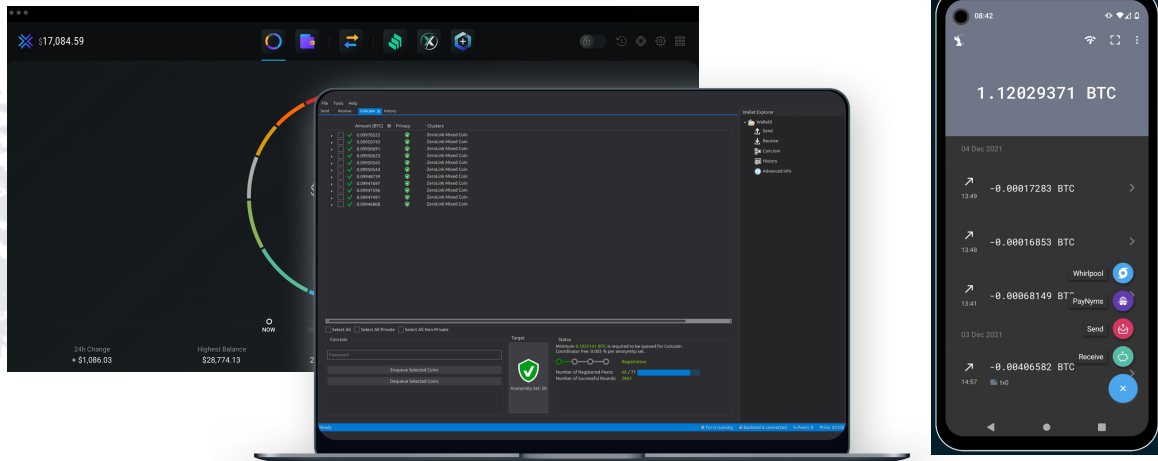
©2022 Evergreen Legacy Planning LLP
All rights reserved

24

24

Private keys: Warm wallets

Evergreen
LEGACY PLANNING



©2022 Evergreen Legacy Planning LLP
All rights reserved

25

25

Private keys: Hot wallets

Evergreen
LEGACY PLANNING


coinbase







©2022 Evergreen Legacy Planning LLP
All rights reserved

26

26




Private keys: Custodial/Multisig wallets



©2022 Evergreen Legacy Planning LLP
All rights reserved

27

27



Managing private keys

- Never ever (EVER. EVER. **EVER!!**) enter private keys into:
 - Computer file
 - Estate planning documents
 - Your phone
 - A website
 - A PowerPoint presentation

...Or anything else that can become public, get hacked, or is otherwise vulnerable

©2022 Evergreen Legacy Planning LLP
All rights reserved

28

28

Funding crypto



- **Property Assignment:** describe cryptoassets to be transferred with as much specificity (by category/classification/activity) as possible:
 - Tangible personal property:
 - Computers, computer hard drives and peripheral accessories, gaming consoles, mobile phones, smart tablets, cryptoasset wallets, cryptographic signature devices...
 - Intangible personal property:
 - Cryptographic assets (specifically including both fungible and nonfungible cryptographic tokens), vested staking rewards, cryptoasset wallets, vaults, and digital asset trading accounts...

©2022 Evergreen Legacy Planning LLP
All rights reserved

29

29

Funding crypto



- **The governing instrument** (Will, Trust, Property Power of Attorney):
 - Waiver (or at least extensive modification) of applicable prudent investor rule:

Section 2.05 Powers Regarding Cryptoassets and Virtual Currencies

Notwithstanding the inherent volatility and uncertainty of the value or security of cryptoassets, the Trustee is expressly authorized to manage, purchase, acquire, trade, sell, transact with, or exchange cryptoassets, virtual currencies, blockchain tokens, or other digital assets that have monetary value.

The Trustee, in the Trustee's sole and absolute discretion, may retain the services of an experienced cryptoasset advisor specifically for the purpose of managing trust investments in cryptoassets, virtual currencies, or similar digital assets. We request, but do not require, that the Trustee consult an experienced advisor in developing and periodically reviewing the Trustee's practices in managing the trust's cryptoassets and private key management strategies. The Trustee may expend trust assets for the purpose of retaining consultants and advisors to assist the Trustee in administering any interests the trust holds in cryptoassets.

©2022 Evergreen Legacy Planning LLP
All rights reserved

30

30

Funding crypto

Evergreen
LEGACY PLANNING

- Following subsections:
 - Waive duty to diversify cryptoasset holdings (This is where I waive PIR and duty to diversify as to cryptoassets). Reinforced under provision concerning "Retention and Abandonment of Trust Property
 - Waive duty to segregate cryptoasset holdings if multiple subtrusts hold digital assets that are compatible for storage in a single wallet/vault
 - Set a standard for trustee to establish security protocols; provide date-adjusting threshold above which trustee must establish custodial or multisig vault.
(Very much client/fact specific)
 - Authorize other cryptoasset activities (if appropriate for client):
 - E.g., staking, lending, other yield-generating activities
 - Guidance concerning obtaining waivers from beneficiaries regarding cryptoasset-related activities

©2022 Evergreen Legacy Planning LLP
All rights reserved

31

31

Funding crypto

Evergreen
LEGACY PLANNING

- Supporting documents:
 - Understand & document how they're holding private key custody now - cold storage, warm (software-based) storage, "hot" storage (i.e., on an exchange)
 - Help them develop a private key succession plan that they are comfortable with.
- If they're holding digital assets with a custodian, we work with the custodian to provide the information they need to recognize the settlor's transfer to the trust. If they have a self-managed multisig vault (e.g., Unchained Capital, Casa, Electrum...) we ask the client to allow us to document who their key signatories are so the trustee has a starting point to actually finding and getting access to the crypto when the settlor becomes incapacitated or dies.
- **Understand:** crypto holders move their assets around on a fairly regular basis, so this needs to be updated at least annually.

©2022 Evergreen Legacy Planning LLP
All rights reserved

32

32

Additional trust design considerations

- Jurisdictional issues:
 - Restatement Second vs. Restatement Third (& UTC)
 - Crypto-specific statutes?
 - Crypto-savvy fiduciaries?
 - Robust directed trust framework?
 - (Hint: use Wyoming – directly, or through resitusing)
- Clear preamble expressing settlor's intent
 - ...including statement authorizing crypto as investment class

Other planning issues

- How important is crypto to the client's plan?
(Significantly impacts selection of fiduciaries)
- Fragmenting fiduciary responsibility
 - Administrative/principal trustee
 - Investment trustee/trust advisor, etc.
 - Oversees all, or maybe just SOME investments
 - Cryptoasset investment advisor?

Final notes on “the basics”

- Crypto moves very fast. New asset types, new wallet solutions, new trading platforms, new deFi accounts, new tokens & token types, new revenue/loss “opportunities”...
- ***Even long-term HODLers*** move assets around on a fairly regular basis, so crypto-related planning must be reviewed & updated at least annually.

Planning priorities

Tailoring focus by clients' needs

Modest holdings / active trader

- Focus on reliable “bread crumbs”
- Securing key material
- Reducing variables (if possible)
- Advice on tracking trades & tax compliance
- Incorporate appropriate language based on client priorities
 - Documenting intent / purpose statement for crypto (IPS / thesis)
- Identifying and grooming fiduciaries
- Facilitating dialogue between client and heirs

©2022 Evergreen Legacy Planning LLP
All rights reserved

37

37

HNW estate; ~\$2,500,000 in crypto

- Bread crumbs are likely not sufficient
- Consider multisig solution
 - MPC ≠ Multisig – understand the difference
- Institutional custodian?
- Dedicated trust or other entity likely appropriate
 - Purpose-built revocable or irrevocable trust
 - Purpose-built LLC (held by RLT or IRT)
 - Irrevocable Grantor or Non-Grantor Trust?
 - IRT may be complete or incomplete
- All other priorities of modest estate apply

©2022 Evergreen Legacy Planning LLP
All rights reserved

38

38

HNW estate; >\$5,000,000 in crypto

- Multisig solution definitely required
- Institutional custodian likely

Pros:

- + More reliable, tailored multisig
- + Easy access to trading, lending, borrowing, other activities
- + Professional support for sophisticated structures

Cons:

- Cost
- Counterparty risk
- Potential delays in trades, settlement

HNW estate; >\$5,000,000 in crypto

- Dedicated planning required
 - Purpose-built trust (probably irrevocable)
 - Complete or Incomplete
 - Grantor or Non-Grantor
 - Purpose-built LLC (held by RLT or IRT)
- Advanced planning for capital gains, gift, or estate tax likely
- All other priorities apply

Tax issues

©2022 Evergreen Legacy Planning LLP
All rights reserved

41

41

IRS Notice 2014-21

- Application limited to “convertible virtual currency”
 - “Virtual currency that has an equivalent value in real currency, or that acts as a substitute for real currency.”
 - Specifically references bitcoin; likely applies to most other commodity/investment cryptoassets that substitute for conventional currencies
 - Likely irrelevant for USD-pegged stabletokens (1 token = \$1 USD)
 - Application to DeFi tokens?
 - Application to NFTs?
- Generally taxed as “property”
 - Income when received (in USD terms)
 - Capital assets when traded/sold (short- and long-term holding periods apply)
 - (Assuming owner isn’t an exchange or other commercial distributor of crypto)

©2022 Evergreen Legacy Planning LLP
All rights reserved

42

42

IRS Notice 2014-21

Justice Department's interpretation:

"...virtual currencies that can be converted into traditional currency are property for tax purposes."

"...receipt of virtual currency as payment for goods or services is treated as income"

"...a taxpayer can have a gain or loss on the sale or exchange of a virtual currency, depending on the taxpayer's cost to purchase the virtual currency (that is, the taxpayer's tax basis)."

<https://www.justice.gov/opa/pr/court-authorizes-service-john-doe-summons-seeking-identities-us-taxpayers-who-have-used-0>

©2022 Evergreen Legacy Planning LLP
All rights reserved

43

43

Rev. Rul. 2019-24

- Cryptoasset created in a hard fork not airdropped or otherwise transferred into a wallet the holder controls does not constitute income.
 - No "accession to wealth," no "income"
- Cryptoasset from hard fork actually airdropped or otherwise transferred to a wallet the holder controls DOES constitute income. (This is accession to wealth.)
 - Income received when holder obtains dominion & control...
 - Recorded on blockchain, and
 - Holder has ability to dispose of crypto
- Even if the holder DOESN'T WANT IT

©2022 Evergreen Legacy Planning LLP
All rights reserved

44

44

Treasury sharpening its focus

- Coinbase “John Doe” summons (2016)
 - Forced Coinbase to provide information on 13,000 account holders with >\$20,000 in transactions
 - >1,000 amended returns
 - >\$25,000,000 in additional taxes, notices, and settlements from taxpayers
- Cryptoasset activity question added to 1040 (2019). Moved to middle of page 1 (2020)

“At any time during 2020, did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currency?”
- Kraken & Poloniex summonses issued (2021)
- IRS “Operation Hidden Treasure” (2021)
 - Partnership between IRS civil Office of Fraud Enforcement & criminal investigation unit
 - <https://www.jdsupra.com/legalnews/operation-hidden-treasure-is-not-a-1049822/>
 - <https://tax.thomsonreuters.com/blog/irs-launches-operation-hidden-treasure-and-the-implications-for-cpas/>

©2022 Evergreen Legacy Planning LLP
All rights reserved

45

45

Tax planning considerations

- Income when received in exchange for goods & services
- Treated as capital asset / property for capital gains tax purposes
- Constituting “ownership” by tax-favored structure
 - Severing dominion & control – what is required?
- Advanced strategy options
 - Completed gift trusts (gift & estate tax planning)
 - Irrevocable Non-Grantor Trusts
 - Charitable trusts



©2022 Evergreen Legacy Planning LLP
All rights reserved

49

49

Crypto-friendly strategies?

©2022 Evergreen Legacy Planning LLP
All rights reserved

50

50

Pending Tax Proposals

- Tax rate increases:
 - Ordinary income tax: 37% → 39.6%
 - Capital gains tax rate: 20% → 25%
 - +3% surtax:
 - Individuals: MAGI > \$5,000,000
 - Married filing separately: MAGI > \$2,500,000
 - Trusts/estates: MAGI > **\$100,000**
- QSBS capital gains tax exclusion limited to 50% of the gain for:
 - Individuals with AGI > \$400,000
 - **All trusts/estates (regardless of AGI)**

©2022 Evergreen Legacy Planning LLP
All rights reserved

52

52

Tax-favored strategies (for now)

- Split-interest trusts (charitable and non-charitable)
 - GRATs (& GRAT+HEETs)
 - CLATs
 - "Flip" CRUTs
- Leveraged sales to irrevocable grantor trusts
- Irrevocable Non-Grantor trusts ("WINGs")
 - Incomplete or complete gifts

©2022 Evergreen Legacy Planning LLP
All rights reserved

53

53

Crypto + philanthropy?

- Gain harvesting: Unlimited CASH contributions in 2021
- Donor-Advised Funds
- Crypto-friendly public charities
- Grantor CLATs
- CRUTs
- Private Foundations

©2022 Evergreen Legacy Planning LLP
All rights reserved

54

54

How “split-interest” trusts work

GRATs, CLATs, CRUTs...

©2022 Evergreen Legacy Planning LLP
All rights reserved

55

55

“Splitting the interest”

- Grantor creates an irrevocable trust that creates a “lead” interest and a “remainder” interest
- Lead interest typically a fixed annuity payment or percentage of trust value (recalculated annually)
- Lead beneficiaries:
 - GRATs: the settlor (“Grantor”)
 - CRTs: the settlor &/or others*
 - CLATs: one or more charities

*distributions to others will be a taxable gift

©2022 Evergreen Legacy Planning LLP
All rights reserved

56

56

"Splitting the interest"

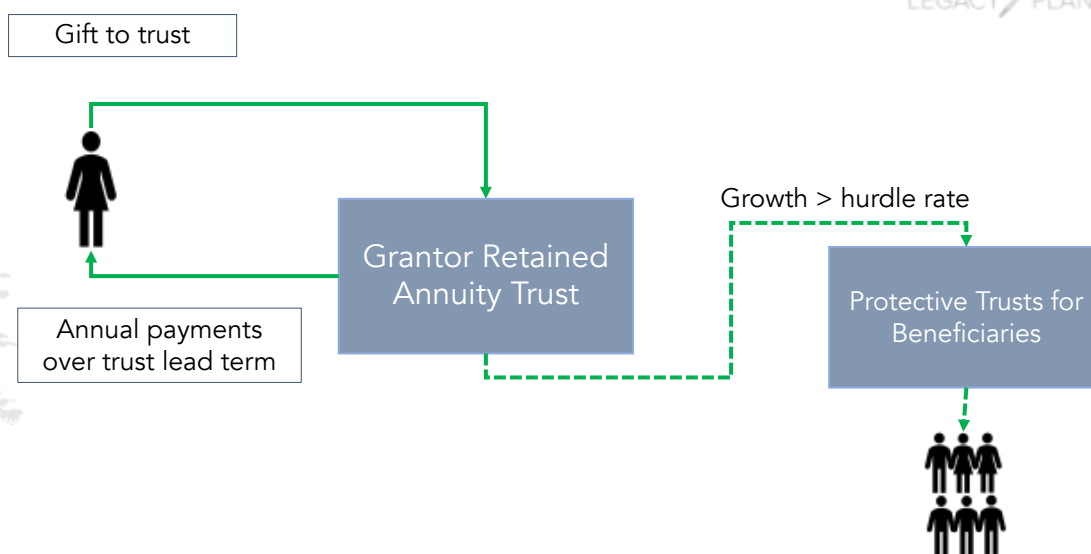
- Structure & duration of lead interest determines tax outcomes
- Remainder interest passes to charity or to non-charitable beneficiaries
- Value of remainder interest may create either charitable deduction or trigger taxable gift (depending on the beneficiaries)
- Interplay of trust design and monthly interest rates published by IRS ("§7520 rate") determines value of charitable deduction (charitable trusts) or value of taxable gift (non-charitable trusts)
- To the extent trust portfolio exceeds the §7520 "hurdle" rate, the excess is a tax-free gift to remainder beneficiaries

©2022 Evergreen Legacy Planning LLP
All rights reserved

57

57

Grantor Retained Annuity Trusts (GRATs)



©2022 Evergreen Legacy Planning LLP
All rights reserved

58

58

GRAT – by the numbers

Evergreen
LEGACY PLANNING

Transfer Date:	09/30/2021	Base Annuity Factor:	3.5641
Fair Market Value of Property Transferred:	\$1,000,000.00	Frequency Adjustment Factor:	1.0000
Term of Years:	3	Initial Annual Annuity Payout:	\$280,575.70
Percentage Payout:	28.05757%	Initial Amount of Payment Per Period:	\$280,575.70
Vary Annuity Payments?	Constant	Present Value of Annuity:	\$999,999.85
Payment Period:	Annual	Value of Grantor's Retained Annuity Interest:	\$999,999.85
<input checked="" type="checkbox"/> Show Economic Projection?		Taxable Gift:	\$0.15
Income Earned by Trust:	0.00%		
Principal Growth in Trust:	20.00%		
Valuation Discount:	0.00%	<input checked="" type="checkbox"/> Distribute Princ. in Kind?	

Year	Beginning Principal	20.00% Annual Growth	0.00% Annual Income	Required Payments	Distributed Discount	Remainder
1	\$1,000,000.00	\$200,000.00	\$0.00	\$280,575.70	\$0.00	\$919,424.30
2	\$919,424.30	\$183,884.86	\$0.00	\$336,690.84	\$0.00	\$766,618.32
3	\$766,618.32	\$153,323.66	\$0.00	\$404,029.01	\$0.00	\$515,912.97
Summary/Totals	\$1,000,000.00	\$537,208.52	\$0.00	\$1,021,295.55	\$0.00	\$515,912.97

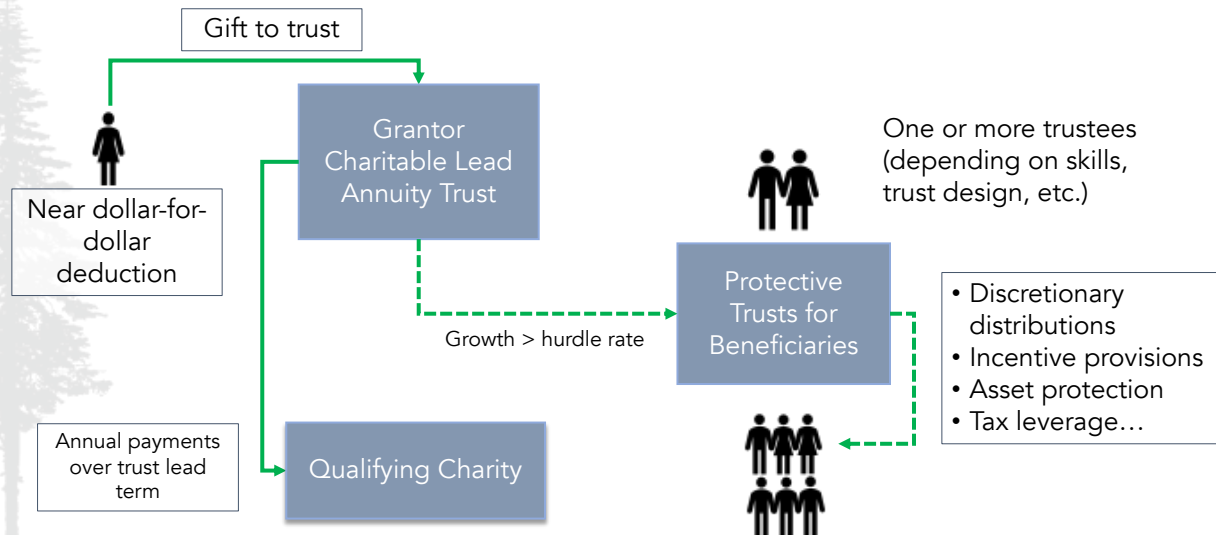
©2022 Evergreen Legacy Planning LLP
All rights reserved

59

59

(Grantor) CLATs

Evergreen
LEGACY PLANNING



©2022 Evergreen Legacy Planning LLP
All rights reserved

60

60

CLAT – by the numbers



Transfer Date:	09/30/2021
\$7520 Rate:	<input checked="" type="radio"/> Sep: 1.0% (Best) <input type="radio"/> Aug: 1.2% <input type="radio"/> Jul: 1.2%
Trust Duration:	Term of Years
Term of Years:	15
Fair Market Value of Property Transferred:	\$1,000,000.00
Percentage Payout:	0.29323%
<input checked="" type="checkbox"/> Minimize Remainder? <input type="checkbox"/> "Shark Fin" CLAT?	<input type="checkbox"/> "Shark Fin" CLAT? <input type="checkbox"/> CLAT?
Vary Annuity Payments?	Constant
Payment Growth Rate:	40.00%
Payment Period	Annual
<input checked="" type="checkbox"/> Show Economic Projection?	
Trust Income/Gain Rate:	20.00%

Calculator Results

Amount of Annuity:	\$2,932.30
Base Term Annuity Factor:	341.0218
Payment Adjustment Factor from Table K:	1.0000
Present Value of Annuity:	\$999,978.22
Charitable Gift or Estate Tax Deduction:	\$999,978.22
Charitable Percentage of Transfer:	99.998%
Noncharitable (Taxable) Remainder:	\$21.78
Noncharitable Percentage of Transfer:	0.002%

©2022 Evergreen Legacy Planning LLP
All rights reserved

61

61

GRAT – by the numbers

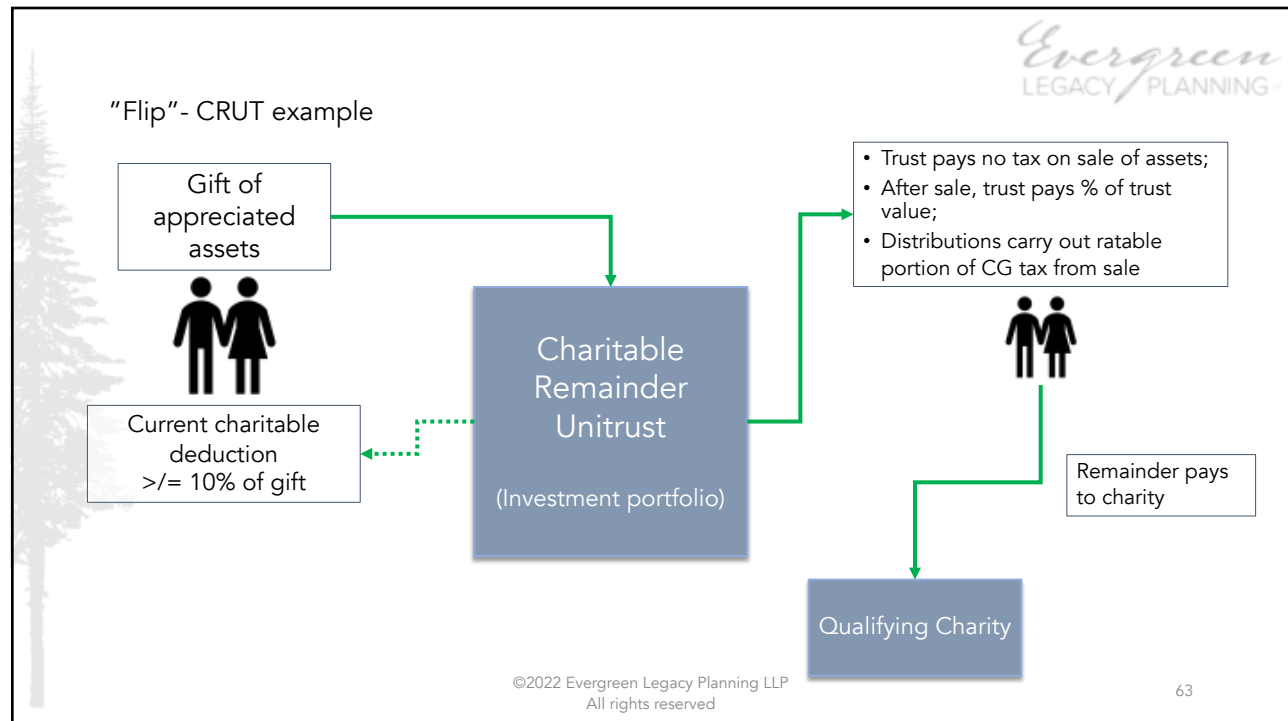


Year	Beginning Principal	20.00% Annual Income	Required Payments	Remainder
1	\$1,000,000.00	\$200,000.00	\$2,932.30	\$1,197,067.70
2	\$1,197,067.70	\$239,413.54	\$4,105.22	\$1,432,376.02
3	\$1,432,376.02	\$286,475.20	\$5,747.31	\$1,713,103.91
4	\$1,713,103.91	\$342,620.78	\$8,046.23	\$2,047,678.46
5	\$2,047,678.46	\$409,535.69	\$11,264.72	\$2,445,949.43
6	\$2,445,949.43	\$489,189.89	\$15,770.61	\$2,919,368.71
7	\$2,919,368.71	\$583,873.74	\$22,078.86	\$3,481,163.59
8	\$3,481,163.59	\$696,232.72	\$30,910.40	\$4,146,485.91
9	\$4,146,485.91	\$829,297.18	\$43,274.56	\$4,932,508.53
10	\$4,932,508.53	\$986,501.71	\$60,584.39	\$5,858,425.85
11	\$5,858,425.85	\$1,171,685.17	\$84,818.14	\$6,945,292.88
12	\$6,945,292.88	\$1,389,058.58	\$118,745.40	\$8,215,606.06
13	\$8,215,606.06	\$1,643,121.21	\$166,243.56	\$9,692,483.71
14	\$9,692,483.71	\$1,938,496.74	\$232,740.98	\$11,398,239.47
15	\$11,398,239.47	\$2,279,647.89	\$325,837.38	\$13,352,049.98
Summary/Totals	\$1,000,000.00	\$13,485,150.04	\$1,133,100.06	\$13,352,049.98

©2022 Evergreen Legacy Planning LLP
All rights reserved

62

62



63

Evergreen
LEGACY PLANNING

Irrevocable Non-Grantor ("ING") Trusts

Complete or incomplete WINGs, DINGs, NINGs, SD-INGs...

©2022 Evergreen Legacy Planning LLP
All rights reserved

64

64

Irrevocable NON-Grantor Trusts

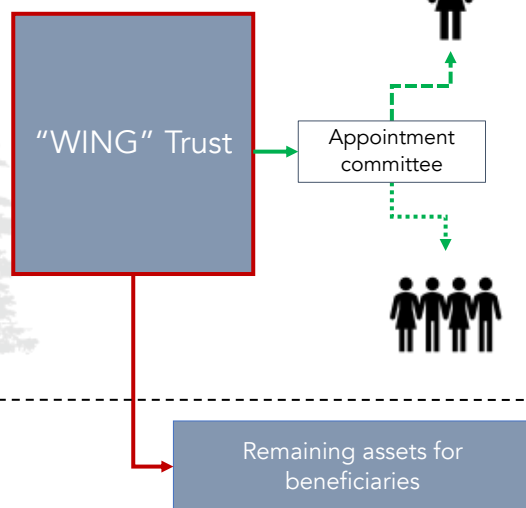
- Irrevocable Trust created in low (or zero) income tax jurisdiction
- Trust created as separate taxpayer for FEDERAL and state income tax purposes
 - NOTE: May shift income into HIGHER federal tax brackets
- Allows settlor (trust creator) in higher tax state to park assets in lower/zero income tax state
- Avoids state-level income tax on sales of appreciated assets
- Eligible for additional taxpayer benefits (e.g., SALT deductions)
- "Complete" or "incomplete" for federal transfer tax purposes
- + Attractive privacy & potential asset protection benefits

©2022 Evergreen Legacy Planning LLP
All rights reserved

65

65

Incomplete ING Trust



- Incomplete gift uses no estate tax exemption
- Trust income is WYOMING income
- "Appointment Committee" established by settlor may distribute assets to "permissible appointees" (may include the settlor)
- Home state income tax *deferred* until distributions are made from trust. Distributions taxed at beneficiaries' individual income tax rates
 - Income retained is federally taxed at trust rates; no state income tax on undistributed income
- Strategically manage income in trust:
 - Additional SALT deduction (up to \$10k; good place for real estate holdings)
 - Charitable gifts from trust not capped by AGI

Assets remaining in trust included in estate for estate tax purposes when Settlor dies (new capital gains basis)

©2022 Evergreen Legacy Planning LLP
All rights reserved

66

66

About me



Matthew T. McClintock, J.D.
Evergreen Legacy Planning LLP
 Partner

Main phone: (877) 757-8120
 Email: mtm@evergreenlegacyplanning.com
 Website: www.evergreenlegacyplanning.com

Bespoke Service Company LLC
 Founder
 Email: mtm@bespokeservicecompany.com

 <https://www.linkedin.com/in/mattmcclintock/>



Evergreen Legacy Planning LLP is a law firm based in Evergreen, Colorado serving clients worldwide to design, implement, and sustain estate planning strategies that address both the quantitative tax outcomes and qualitative, value-driven outcomes that are most important to clients.

Matt has a special interest in helping clients plan for effective management and succession of cryptoassets and other complex or unusual assets, as well as helping families preserve and protect wealth for future generations.

Bespoke Service Company LLC is an advisory company serving family offices and private trust companies (PTCs), primarily serving crypto-affluent individuals and families. Within Bespoke Service Company, Matt frequently serves on clients' distribution, philanthropy, investment, audit oversight, and related committees within clients' PTCs and in certain cases, provides multisignature ("multi-sig") private key management and other support for clients' cryptoasset holdings.

©2022 Evergreen Legacy Planning LLP
 All rights reserved

67

67

Helpful resources

• Podcasts

- Wealth, Actually (Matt McClintock, guest)
 - [Episode 91, August 24, 2021](#)
 - [Episode 66, October 2, 2020](#)
- [What Bitcoin Did: Beginner's Guide to Bitcoin Part 1 \(Andreas Antonopoulos\)](#)
- [What Bitcoin Did: Understanding Bitcoin Economics \(Saifedean Ammous\)](#)

• Books & Articles

- [Layered Money, by Nik Bhatia](#)
- [The Internet of Money, by Andreas Antonopoulos](#)
- [The Bullish Case for Bitcoin \(Article\), by Vijay Boyapati](#)
- [Cryptoasset Inheritance Planning, by Pamela Morgan](#)
- [The Bitcoin Standard, by Saifedean Ammous](#)
- [Inventing Bitcoin, by Yan Pritzker](#)
- [Bitcoin Clarity, by Kiara Bickers](#)
- [The Sovereign Individual, by Davidson & Rees-Mogg \(predicting "cybercurrency" 10 years before bitcoin!\)](#)

©2022 Evergreen Legacy Planning LLP
 All rights reserved

68

68

Helpful resources

Evergreen
LEGACY PLANNING

- Videos & Documentaries
 - [Cryptopia: Cryptocurrencies, Web 3.0, Blockchains, Bitcoin](#)
 - [The Green Machine \(Bitcoin & Energy Consumption\)](#)
 - [Andreas Antonopoulos Introduction to Bitcoin: What is it and why does it matter?](#)
 - [Saifedean Ammous: "The Bitcoin Standard" \(SALT Talks #127\)](#)
 - [Michael Saylor interview on bitcoin as the perfect asset](#)
 - [What Blockchain Means \(Caitlyn Long at the Mises Institute\)](#)
 - [Banking on Bitcoin](#)
 - [Bitcoin: Beyond the Bubble](#)
 - [The Bitcoin Phenomenon \(SQ1 TV\)](#)

©2022 Evergreen Legacy Planning LLP
All rights reserved

69

69

Helpful resources

Evergreen
LEGACY PLANNING

- Info websites & newsletters
 - [Unchained Capital](#) (bitcoin multisig vault provider)
 - [Unchained Capital blog](#) (excellent basic education)
- Understanding BIP39 mnemonic seeds:
 - <https://github.com/bitcoin/bips/blob/master/bip-0039.mediawiki>
- <https://medium.com/coinmonks/mnemonic-generation-bip39-simply-explained-e9ac18db9477>
 - [Hope.com](#)
 - [BitcoinMagazine.com](#)
 - [Bitcoin Market Journal](#)
 - [Quantum Economics](#)
 - [Messari](#) (financial market data; crypto-specific)
 - [Glassnode](#) (on-chain market analysis)
 - [CaseBitcoin](#) (bitcoin-specific macro data)

©2022 Evergreen Legacy Planning LLP
All rights reserved

70

70

Helpful resources

Evergreen
LEGACY PLANNING

- Websites

- <https://unchained.com/blog/what-is-a-bitcoin-seed-phrase/>
- [Bitcoin Market Journal](#)
- [Casebitcoin \(charts & data\)](#)
- [Messari.io \(analysis & data\)](#)
- [Bitstamp.net \(real-time market data\)](#)
- [Coin360 \(broad cryptomarket price aggregator\)](#)
- [Blocktivity \(broad based blockchain activity tracker\)](#)
- [Bitcoincharts \(financial & technical data for the Bitcoin network\)](#)
- [Glassnode \(general cryptomarket data\)](#)
- [Blockt.com \(blockchain news\)](#)
- [Coindesk \(blockchain news\)](#)

©2022 Evergreen Legacy Planning LLP
All rights reserved

71

71

Helpful resources

Evergreen
LEGACY PLANNING



- Enforcement Actions

- Kraken, Poloniex summonses issue
 - <https://www.justice.gov/opa/pr/court-authorizes-service-john-doe-summons-seeking-identities-us-taxpayers-who-have-used-0>
- Operation Hidden Treasure
 - <https://www.jdsupra.com/legalnews/operation-hidden-treasure-is-not-a-1049822/>
 - <https://tax.thomsonreuters.com/blog/irs-launches-operation-hidden-treasure-and-the-implications-for-cpas/>

©2022 Evergreen Legacy Planning LLP
All rights reserved

72

72



Helpful resources

NFTs: Art in America article (08/12/2021)
<https://www.artnews.com/art-in-america/features/nfts-curation-online-exhibitions-crypto-art-1234601534/>

©2022 Evergreen Legacy Planning LLP
All rights reserved

73