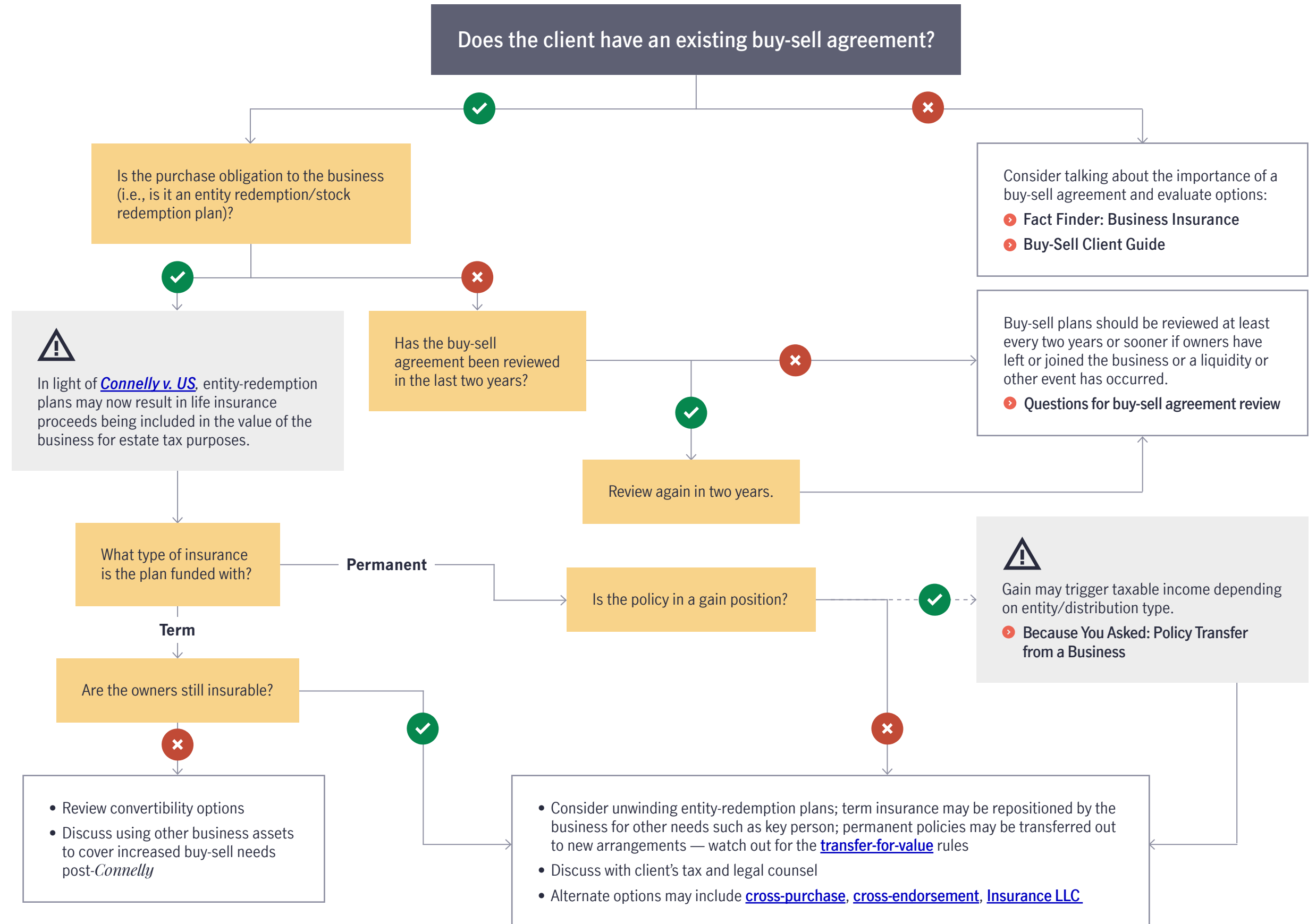


Buy-sell review in light of *Connelly v. US*



Other key fact-finding questions



Does the client have a federal or state estate tax concern?

Clients who do not have an estate tax liability might not be as concerned with a life insurance policy inflating the value of their estate. In 2024, the federal estate tax exemption is \$13,610,000.*

For more information on state estate taxes, please read [Because You Asked: State Estate Taxes](#).



What type of tax entity is the business?

Different entities have different tax characteristics that can affect buy-sell planning.

For more information, read [Guide to Business Entities](#) and [Because You Asked: Policy Transfer from a Business](#).



How many owners are involved in the business?

Certain buy-sell arrangements can become administratively complex, particularly as the number of business owners increases.

For more information on how to choose the appropriate arrangement for your clients, [click here](#).



Are the business owners related parties?

If individuals are related, valuation of the business might face heightened scrutiny, particularly for federal estate tax purposes.

For more information on business valuation, please read [Because You Asked: Business Valuation](#). You can also use our online [Business Valuation calculator](#) as a tool to get started.

*This is an inflation-adjusted number based on a \$10,000,000 exemption. Under current law, this exemption will increase in 2025 before reverting to a \$5,000,000 exemption (indexed for inflation) in 2026.

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