

Dear Friends of Our Firm,

Are you planning to sell your business soon? If the business has been profitable, you could be socked with a huge capital gain when you sell, even at the usual 15 percent tax rate.

For example, if you have no basis remaining in the business and you sell the company stock for \$3 million, you'd have to pay a \$450,000 tax bill.

Fortunately, there's a tax-smart way out of this predicament. You can donate your business interest to a charitable remainder unitrust, or CRUT. The trust can sell the business later, which will generate cash that you can reinvest elsewhere.

What have you accomplished? This technique provides three main benefits:

- It generates a huge upfront charitable deduction, based on the amount of your company's interest that will eventually pass to the charity.
- It provides for a comfortable lifestyle in your retirement. That's because you (and/or other designated beneficiaries) receive an annual stream of income from the trust.
- It allows you to help out your favorite charity. (The CRUT must determine a "remainder value" of the business—at least 10 percent of the current value—that the charity will ultimately receive.)

While CRUTs represent a unique opportunity for business owners, they also carry numerous potential pitfalls along the way. Also, the IRS has been closely watching CRUTs in recent years for abuses of the rules. That's why it's critical to set up a CRUT arrangement that satisfies the strict letter of the law.

For a free consultation to discuss the benefits of a CRUT and whether it's right for your situation, please call us today (xxx) xxx-xxxx. There is absolutely no obligation or risk.

Very truly yours,

Signature]

[Name]

[Title]

P.S. A CRUT can literally save hundreds of thousands of tax dollars on the sale of a business. Call (xxx) xxx-xxxx now for more information.