Rule 643

Rule 643 is very explicit in its authority: “Capital gains and losses (3) Gains from the sale or exchange of capital assets shall be excluded to the extent that such gains are allocated to corpus and are not (A) paid, credited, or required to be distributed to any beneficiary during the taxable year, or (B) paid, permanently set aside, or to be used for the purposes specified in section 642(c). Losses from the sale or exchange of capital assets shall be excluded, except to the extent such losses are taken into account in determining the amount of gains from the sale or exchange of capital assets which are paid, credited, or required to be distributed to any beneficiary during the taxable year.”

Our Trusts are written to comply with a Discretionary, Irrevocable Trust with complex provisions that meets and exceeds the Rule. Most attorneys and CPAs have never used it or heard of it before. This is why we pay for the taxes to be done so they don’t run into people like this that are uninformed and try to sway clients to keep from losing business. Thousands of our clients use this and have for 30 years without any problems.