

Marital Insecurity and UHNW Resurgence Uncertainty

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The estate tax has gone away for 2010, but some potential beneficiaries could end up with no tax-free inheritance whatsoever. Because of a quirk in the law, the maximum estate tax free amount is transferred to descendants or other family members with the balance left to the surviving spouse. Now that everything's free, everything could theoretically go to blood descendants and relatives, with nothing left for the surviving spouse, says **Tom Handler**, chairman, Advanced Planning & Family Office Practice Group with **Handler Thayer**. "Understatement: clients are not happy," he said. Hopefully, the glaring oversight will be addressed when Congress revisits the issue for next year. Until then, having a will in place should ensure some security.



PAM's Kristen Oliveri

Advisors may want to forget about wasting time with clients that they don't deem ultra-high-net-worth anymore. According to **Celent**, a research and advisory firm, the UHNW population is expected to grow at a rate of 4% over the next three years, while the less wealthy set is only poised to grow at a rate of 2.6%. If you do the math, it seems like a no-brainer to go after that greater concentration of wealth among a smaller number of people (just think of how easy it will be to nab that bonus target). Of course, the bigger the client, the bigger the number of advisors chasing him, so maybe the precept of thinking small to make it big is a better bet.

Despite the frigid temperatures plaguing the state of Florida, the Southeast region is hot, hot, hot. Firms like **Seaside National Bank & Trust** and **Lydian Bank & Trust** are growing to keep up with the influx of wealthy clients in the market for wealth management services. Stay tuned for more coverage of this trend and what the driving factors are behind it.