

Dear (Solicitor),

Re: (Estate)

Thank you very much for your administration of this Estate. (Charity) are most grateful for your work and would like to be of assistance where possible. We may be able to help maximise the Estate's assets, and in so doing help to honour the late (Bequestor)'s wishes to contribute to the charity's important work.

Having reviewed the asset list filed with the Supreme Court, **(Add details such as below)**

- We notice that the Estate has a significant shareholding portfolio, somewhere around the value of **\$VALUE**.
- We notice that the estate owns more than one piece of real estate.

Usually, if the Estate simply liquidated these assets, capital gains tax would likely become payable and may be significant. That would naturally reduce the funds available to pay beneficiaries, including the charities.

Many executors and solicitors are not aware that due to charities tax exempt and DGR status, such a tax liability can be reduced or avoided. There are two primary ways to do so: (1) transferring assets in specie; or (2) making the beneficiaries either presently or specifically entitled to the income and/or capital gain from the Estate. For your further reference, we note in particular, section 100AA of the Income Tax Assessment Act 1936 (Cth) in relation to present entitlement, Taxation Determination 2004/3 and Taxation Ruling No IT2622. Choosing the right option to the particular circumstances of the Estate can mean that all beneficiaries, including individuals who are not tax exempt, benefit from higher distributions.

These tax issues are complex, particularly for charitable beneficiaries, and we recommend getting assistance from a deceased estate taxation specialist. We know solicitors who have achieved excellent results for estates after working with one of these individuals:

1. Jamie Towers, Mazars: 07 3218 3900 or jamie.towers@mazars.com.au
2. Ian Rospin, BNR Partners: 03 9781 6800 or iraspin@bnrpartners.com.au
3. Melanie Costin, T & E Accounting: 1300 082 633

We would be most grateful if you could seek advice to preserve estate funds to the maximum extent possible. Every dollar saved could mean more funds available to go towards the charity's important work.

If you have any questions or would like to discuss the information shared here, please do not hesitate to contact us.

We thank you for your continued efforts and look forward to working with you.

Kind regards,