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A Professional Corporation

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## Who Should be the Beneficiary of Your IRA/Qualified Plan?

1. Should your spouse be the sole beneficiary of your IRA? Should your Trust be the beneficiary? Is there enough liquidity in your estate to pay for the estate tax and income tax associated with your IRA?
2. If your spouse is the sole beneficiary, are your children protected in the event your spouse remarries?
3. If your spouse is the sole beneficiary, are there other assets to fund your Trust?
4. If your Revocable Living Trust is the beneficiary, should the IRA be allocated to the marital trust or the credit shelter trust?
5. Are you aware that if your Trust is the beneficiary, even though payments could be made over the life expectancy of a beneficiary, the entire tax may be due immediately?
6. A qualified terminable interest property ("QTIP") trust is a method to benefit your spouse and to pass the assets to your children. Should the QTIP Trust be the beneficiary of your IRA?
7. Are there any special requirements in naming your Trust as the beneficiary?
8. If you name your Trust as the beneficiary, do you need your spouse's consent?
9. Is there an advantage to naming your spouse as primary beneficiary and your Trust as secondary beneficiary?

10. Your IRA is subject to income tax and estate tax. Have you considered avoiding the income tax and estate tax by naming a charity or your private foundation as the beneficiary of your IRA?

11. Have you considered naming your children as the income beneficiaries of your IRA but at the time of their death, the IRA would pass to charity?

12. Assume you name one child as beneficiary of your IRA. If you do not have any special provisions in your Will or Trust, are you aware that your other children may have to pay estate tax associated with the IRA even though they did not receive it?

13. If there is a need for IRA distribution (Estate Taxes), is it better to cash out the IRA before or after death?

14. Are you aware that if your spouse is the beneficiary of your IRA, the surviving spouse may rollover the proceeds to his or her own IRA and name a child the beneficiary?

15. If you have separate IRAs, are you aware that IRAs may be segregated so that the minimum distribution rules apply separately for each beneficiary?

16. Should you have a Trust for the children as IRA beneficiary?

17. In your first distribution year, does it make sense to take 2 distributions in the same year?

18. What planning options are available if your Plan is subject to a Qualified Pre-Retirement Survivor Annuity (QPSA)?

19. Is there any income tax deduction for the estate tax paid on your IRA?

20. Should you convert to a Roth IRA?

22. Is your Plan protected from creditors?