



# HS330

## American-College

*Fundamentals of Estate Planning test*

Thousands of IT Professionals before you have already passed their HS330 certification exams using the American-College HS330 Practice Exam from [ipass4sure.com](http://ipass4sure.com). Once you start using our HS330 exam questions you simply can't stop! You are guaranteed to pass your American-College HS330 test with ease and in your first attempt.

Here's what you can expect from the [ipass4sure](http://ipass4sure.com) American-College HS330 course:

- \* Up-to-Date American-College HS330 questions designed to familiarize you with the real exam.
- \* 100% correct American-College HS330 answers you simply can't find in other HS330 courses.
- \* All of our tests are easy to download. Your file will be saved as a HS330 PDF.
- \* American-College HS330 brain dump free content featuring the real HS330 test questions.

American-College HS330 Certification Exam is of core importance both in your Professional life and American-College Certification Path. With American-College Certification you can get a good job easily in the market and get on your path for success. Professionals who passed American-College HS330 Certification Exam are an absolute favorite in the industry. If you pass American-College HS330 Certification Exam then career opportunities are open for you.

Our HS330 Questions & Answers provide you an easy solution to your American-College HS330 Exam Preparation. Our HS330 Q&As contains the most updated American-College HS330 real tests. You can use our HS330 Q&As on any PC with most versions of Acrobat Reader and prepare the exam easily.

**Question: 1**

Which of the following is an example of a taxable gift for federal gift tax purposes?

- A - A father gives his 19-year-old daughter a note promising to give her his Rolls Royce when she reaches the age of 21.
- B - Instead of parents paying an outside executive \$60,000, a son runs their business for 8 months without charging a fee.
- C - The parents of a married son permit their son and his family to use a summer cottage that rents for \$3,000 per month on a rent-free basis.
- D - A father cancels a \$50,000 note his daughter gave him when he made a loan to her 2 years ago.

**Answer: D**

**Question: 2**

The following are facts concerning a decedent's estate:

Taxable estate	\$1,700, 000
Pre-1977 taxable gifts	200, 000
Post-1976 adjusted taxable gifts	50, 000
Post-1976 gifts made to a qualified charity	100, 000

The tentative tax base of this estate is

- A - \$1,700,000
- B - \$1,750,000
- C - \$1,850,000
- D - \$1,900,000

**Answer: B**

**Question: 3**

An executor elects to value the assets of the estate at the alternative valuation date 6 months after death. Which of the following statements concerning the estate tax value of assets included in this estate is correct?

- A - An annuity included in the gross estate that diminishes with the mere passage of time is includible at the date of death value.
- B - Property sold before the alternate valuation date is valued at the alternate valuation date.
- C - Property that has increased in value since the date of death may be valued at the date of death if the executor so elects.
- D - Property distributed under the will before the alternate valuation date is valued at the date of death.

**Answer: A**

**Question: 4**

A father and son have been farming land owned by the father for the past 12 years. Just prior to his death, the father was offered \$1200, 000 for his farm because of its possible use as a shopping center. The son would like to continue to farm the land if it can be included in his father's estate at its current use value. Additional facts are:

1. Average annual gross rentals from nearby farms of similar acreage are \$56,000.
2. Average annual state and local real estate taxes on the farm are \$6,000.
3. The interest rate for loans from the Federal Land Bank is 8 percent.

For federal estate tax purposes, the farm method valuation formula would result in a current use value for the farm of

- A - \$500,000
- B - \$600,000
- C - \$700,000
- D - \$820,000

**Answer: B**

**Question: 5**

Which of the following types of real property ownership will be deemed to be a tenancy in common?

- A - Two brothers own equal amounts of all the common stock in a corporation, the only asset of which is real property.
- B - Two brothers own equal undivided interests in a piece of real property, with each brother being able to divest himself of his interest by sale, gift, or will.
- C - Two brothers are equal partners in a general partnership that owns a piece of real property used in the partnership business.
- D - Two brothers own equal fractional interests in a piece of real property and at the death of one of the brothers the survivor will own the entire piece of property.

**Answer: B**

**Question: 6**

Which of the following statements concerning property ownership by a married couple residing in a community-property state is correct?

- A - All property owned by the couple is community property.
- B - Community property loses its identity when a couple moves from a community-property state to a common-law state.
- C - Property inherited by one spouse during a marriage becomes community property
- D - Income earned by one spouse becomes community property.

**Answer: D**

**Question: 7**

Which of the following statements concerning a simple trust is correct?

- A - Income and principal may be distributed to a qualified charity.
- B - It receives a special tax deduction for income distributed to its beneficiaries.
- C - Income is accumulated at the discretion of the trustee.
- D - It limits the number of permissible beneficiaries.

**Answer: B**

**Question: 8**

On the advice of their attorney and accountant, Betsy and John have decided to make substantial transfers. They would like to pass most of their considerable wealth to their grandchildren. Which of the following statements concerning gifts made to their grandchildren is correct?

- A - The GSTT annual exclusion may be utilized by Betsy and John for each grandchild during life time and at death.

- B - The value of Betsy and John's GSTT exemption amounts are slightly increased when used at death rather than during life time.
- C - The GSTT annual exclusion is unavailable for years in which Betsy and John make tuition gifts for the grandchildren.
- D - Betsy and John may elect to split any GSTT transfers to the grandchildren.

**Answer: D**

**Question: 9**

The decedent, D, died this year. The facts concerning D estate are:

Gross estate	\$3,400,000
Marital deduction	0
Charitable deduction	600,000
Funeral & administration expenses	00,000
Gifts made after 1976	170,000
State death taxes payable	192,000

What is D taxable estate?

- A - \$2,138,000
- B - \$2,358,000
- C - \$2,528,000
- D - \$2,720,000

**Answer: C**

**Question: 10**

On January 1, 2004 a father gave his daughter a \$200,000 straight (ordinary) life insurance policy on his life. Premiums are paid annually. The pertinent facts about the policy are:

Date of issue: July 1, 1992	
Premium paid on July 1, 2003	\$3200
Terminal reserve on July 1, 2003	20,000
Terminal reserve on July 1, 2004	24,000

What is the value of the policy for federal gift tax purposes?

- A - \$ 21,600
- B - \$23,200
- C - \$23,600
- D - \$200,000

**Answer: C**

**Question: 11**

A married man has two adult sons. His entire estate is in excess of \$1,500,000 and consists entirely of probate assets. He wants to make certain that if he predeceases his wife she will receive all estate income as long as she lives, and the assets remaining at her death will pass equally to their two sons. He wants to pass all assets to this wife and sons as free of federal estate taxes as possible. To best accomplish these objectives, the man should include which of the following estate plans in his will?

- A - Establish a QTIP trust for half his estate and bequeath the remainder to his wife
- B - Establish a marital deduction trust with a general power of appointment for half his estate and

- place the remainder in a QTIP trust
- C - Establish a bypass trust equal to the applicable exclusion amount and place the remainder of his estate in a QTIP trust
- D - Establish a QTIP trust for his entire estate

**Answer: C**

**Question: 12**

Among the assets in a decedent's gross estate is stock in a closely held corporation that was left to a nephew. The interest passing to the nephew is required to bear the burden of all estate taxes and expenses. The relevant facts about this estate are:

Adjusted gross estate	\$1,200,000
Fair market value of stock in the closely held corporation	500,000
Administration and funeral expenses	25,000
State inheritance taxes	40,000
Federal estate taxes	160,000

What amount of closely held corporate stock may be redeemed under IRC Section 303 so that the redemption will be treated as a sale or exchange rather than a dividend distribution?

- A - 0
- B - \$ 65,000
- C - \$225,000
- D - \$500,000

**Answer: C**

**Question: 13**

A married man died this year leaving a gross estate of \$3,200,000. Additional facts concerning his estate are:

Administration expenses and debts	\$ 250,000
Marital deduction	1,200,000
Applicable credit amount (2005)	555,800
Applicable exclusion amount (2005)	1,500,000
State death taxes payable	20,400

Under the Unified Rate Schedule for computing estate taxes if the amount with respect to which the tentative tax to be computed is over \$1,000,000 but not over \$1,250,000, the tentative tax is \$345,800, plus 41 percent of the excess of such amount over \$1,000,000. If the amount is over \$1,250,000 but not over \$1,500,000, the tentative tax is then \$448,300, plus 43 percent of the excess of such amount over \$1,250,000. If the amount is over \$1,500,000 but not over \$2,000,000, the tentative tax is then \$555,800 plus 45% of the excess of such amount over \$1,500,000. Based on these facts, the net federal estate tax payable is

- A - 0
- B - \$103,320
- C - \$123,720
- D - \$128,280

**Answer: B**

**Question: 14**

Which of the following statements concerning both estates and complex trusts is correct?

- A - Both must have more than one beneficiary.
- B - Both come into being by operation of law.
- C - Both are monitored by the courts.
- D - Both are required to file income tax returns.

**Answer: D**

**Question: 15**

A widow made the following cash gifts during the current year:

Donee	Amount of Gift
A qualified charity	\$40,000
A close friend	30,000
Her sister	5,000
Her daughter	15,000
Her brother	10,000

The total amount of the taxable gifts made this year was

- A - \$23,000
- B - \$45,000
- C - \$52,000
- D - \$95,000

**Answer: A**

**Question: 16**

A man is planning to establish and fund a 20-year irrevocable trust for the benefit of his two sons, aged 19 and 22, and plans to give the trustee power to sprinkle trust income. From the standpoint of providing federal income, gift, and estate tax savings, which of the following would be the best choice of trustee?

- A - The grantor of the trust
- B - The grantor's 70-year-old father
- C - The grantor's 22-year-old son
- D - A bank or trust company

**Answer: D**

**Question: 17**

A man died in February of this year. Last year, when he learned that he had a terminal illness, he immediately made the following gifts and filed the required gift tax return:

	Fair Market Value
Gift of listed stock to a qualified charity	\$100,000
Gift of listed bonds to his wife	200,000
Gift of a boat to his son	10,000
Gift of a sports car to his daughter	10,000

**SAMPLE EXAM**



## Pass4sure \$89 Lifetime Membership Features;

- Pass4sure \$89 Lifetime Membership includes Over **2100** Exams in One Price.
- **All** Pass4sure **Questions and Answers** are included in \$89 package.
- **All** Pass4sure audio exams are included **free** in \$89 package (See List).
- **All** Pass4sure study guides are included **free** in \$89 package (See List).
- **Lifetime** login access, no hidden fee, no login expiry.
- **Free updates** for Lifetime.
- **Free Download Access** to All new exams added in future.
- Accurate answers with **explanations** (If applicable).
- **Verified answers** researched by industry experts.
- Study Material **updated** on regular basis.
- Questions, Answers and Study Guides are downloadable in **PDF** format.
- Audio Exams are downloadable in **MP3** format.
- **No authorization** code required to open exam.
- **Portable** anywhere.
- 100% success **Guarantee**.
- **Fast**, helpful support **24x7**.



View list of All exams (Q&A) provided in \$89 membership;  
<http://www.ipass4sure.com/allexams.asp>

View list of All Study Guides (SG) provided FREE for members;  
<http://www.ipass4sure.com/study-guides.asp>

View list of All Audio Exams (AE) provided FREE for members;  
<http://www.ipass4sure.com/audio-exams.asp>

Download All Exams Sample QAs.  
<http://www.ipass4sure.com/samples.asp>

To purchase \$89 Lifetime Full Access Membership click here (One time fee)  
<https://www.regnow.com/softsell/nph-softsell.cgi?item=30820-3>

3COM	CompTIA	Filemaker	IBM	LPI	OMG	Sun
ADOBE	ComputerAssociates	Fortinet	IISFA	McAfee	Oracle	Sybase
APC	CWNP	Foundry	Intel	McData	PMI	Symantec
Apple	DELL	Fujitsu	ISACA	Microsoft	Polycom	TeraData
BEA	ECCouncil	GuidanceSoftware	ISC2	Mile2	RedHat	TIA
BICSI	EMC	HDI	ISEB	NetworkAppliance	Sair	Tibco
CheckPoint	Enterasys	Hitachi	ISM	Network-General	SASInstitute	TruSecure
Cisco	ExamExpress	HP	Juniper	Nokia	SCP	Veritas
Citrix	Exin	Huawei	Legato	Nortel	See-Beyond	Vmware
CIW	ExtremeNetworks	Hyperion	Lotus	Novell	SNIA	

and many others.. See complete list [Here](#)

