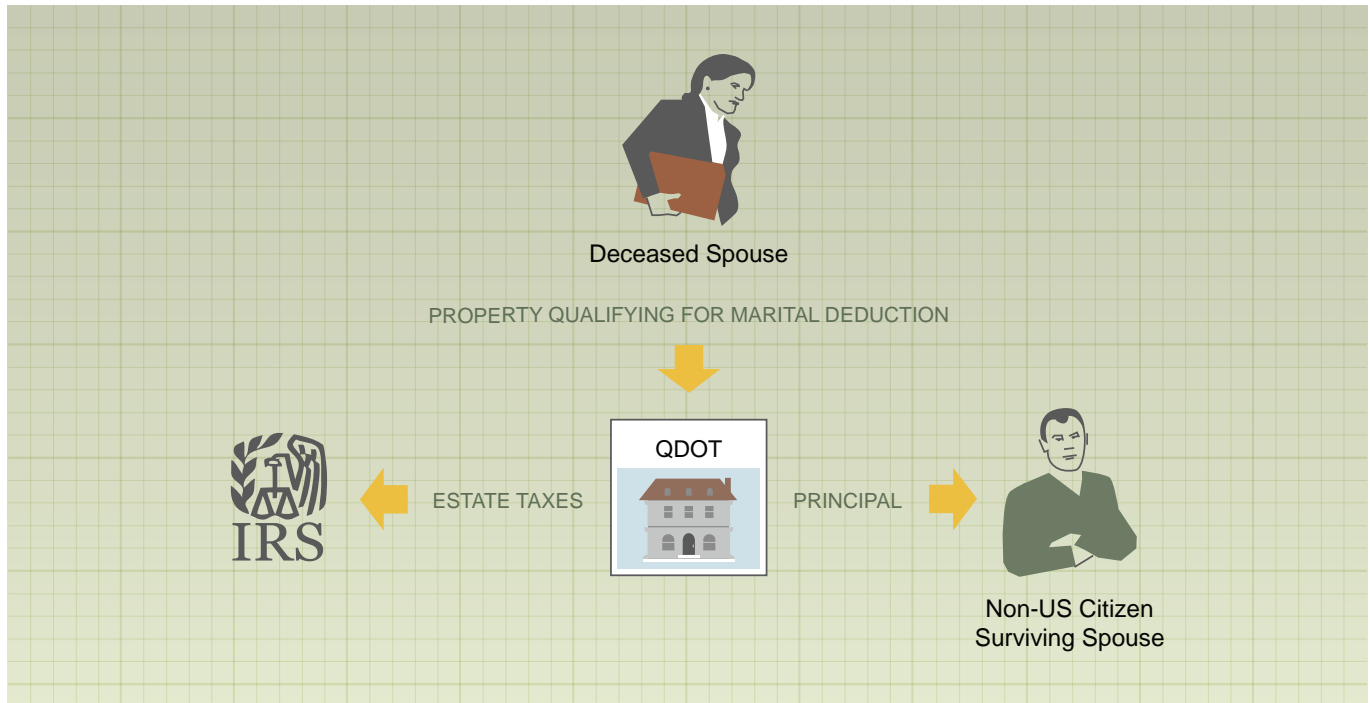


# How the Qualified Domestic Trust Works



The first spouse to die provides for a Qualified Domestic Trust (QDOT) to be established for all property passing to the surviving non-U.S. citizen spouse that is to qualify for the marital deduction.

In general, estate tax is due on distributions of principal to the surviving spouse (other than distributions on account of hardship), and on any remaining value in the QDOT at the surviving noncitizen spouse's death.

Copyright © 2016, Pentera Group, Inc., 921 East 86th Street, Ste. 100, Indianapolis, Indiana 46240. All rights reserved.

This service is designed to provide accurate and authoritative information in regard to the subject matter covered. It is provided with the understanding that neither the publisher nor any of its licensees or their distributees intend to, or are engaged in, rendering legal, accounting, or tax advice. If legal or tax advice or other expert assistance is required, the services of a competent professional should be sought.

While the publisher has been diligent in attempting to provide accurate information, the accuracy of the information cannot be guaranteed. Laws and regulations change frequently, and are subject to differing legal interpretations. Accordingly, neither the publisher nor any of its licensees or their distributees shall be liable for any loss or damage caused, or alleged to have been caused by the use of or reliance upon this service.

U.S. Treasury Circular 230 may require The Pentera Group, Inc. to advise you that "any tax information provided in this document is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer. The tax information was written to support the promotion or marketing of the transaction(s) or matter(s) addressed and you should seek advice based on your particular circumstances from an independent tax advisor."