

Table 1: Two-Beneficiary Example Using Equal Pretax Division of All Assets

	Wally	Beaver	Total
Expected marginal tax rate	43%	24%	
Tax-deferred (TD) account	\$250,000	\$250,000	\$500,000
Taxable account	\$250,000	\$250,000	\$500,000
Pretax total	\$500,000	\$500,000	\$1,000,000
Income taxes on TD	\$107,500	\$60,000	\$167,500
After-tax total	\$392,500	\$440,000	\$832,500