

Company-Owned Life Insurance Included in Estate: US Court of Appeals Grants Summary Judgment to IRS

June 14, 2023

In an article for *Wealth Management*, Private Wealth Partner Louis Laski reviewed a recent federal appeals court decision that created a circuit split on the issue of how life insurance proceeds should be accounted for when it comes to valuing a corporation for estate tax purposes.

The case is *Connelly v. IRS*, No. 21-3683 (8th Cir. 2023), in which a taxpayer argued that the proceeds from a life insurance policy payable to a corporation and intended for the redemption of the taxpayer's interest in the corporation shouldn't be included for purposes of valuing that corporation for estate tax purposes. The Internal Revenue Service argued that the proceeds should be included for purposes of valuing the corporation. The US Court of Appeals for the Eighth Circuit sided with the IRS on June 2, creating a split with the Eleventh Circuit.

["Company-Owned Life Insurance Included in Estate: US Court of Appeals grants summary judgment to IRS,"](#) *Wealth Management*, June 14, 2023