

Client Alert

Gift Tax Exemption Amounts to Decline Dramatically on Jan. 1

October 24, 2012 – The opportunity to make large gifts without paying United States Gift Tax is due to expire at the end of 2012. For the balance of this year, an individual may make a gift of \$5,120,000 (less earlier gifts) without any U.S. Gift Tax, and a married couple may double that gift, to \$10,240,000 (less earlier gifts). For residents of New York, there is also no New York State Gift Tax.

These large gift tax exemptions are expected to decline to \$1,000,000 as of January 1, 2013, making this an extraordinary and limited period of time for estate planning opportunities.

For further information regarding this issue and other estate planning issues, please contact any of our Individual Client Services partners:

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