

Projected Inflation - Adjusted 2020 Rates for Gifts and Estates

The Tax Cuts and Jobs Act provides for a number of tax figures to be adjusted annually to reflect cost-of-living adjustments based on the Consumer Price Index for the 12-month period ending the previous August 31. While the official figures have not been released (the IRS will release those later this year), the number crunchers are projecting the figures for 2020 to be as follows:

2019 Inflation Projections	
<p><u>Gift Tax Annual Exclusion</u> The annual amount than any individual donor may transfer to any individual donee that does not need to be reported to the Internal Revenue Service.</p>	<p><u>2019 Amount</u> \$15,000</p>
	<p><u>2020 Amount (projected)</u> \$15,000</p>
<p><u>Gift Tax Annual Exclusion for Noncitizen Spouses</u> The annual amount that any individual donor may transfer to a noncitizen spouse donee that does not need to be reported to the Internal Revenue Service.</p>	<p><u>2019 Amount</u> \$155,000</p>
	<p><u>2020 Amount (projected)</u> \$157,000</p>
<p><u>Unified Estate and Gift Tax Exclusion Amount</u> The cumulative amount that any individual may transfer during lifetime (for gifts that do not qualify as annual exclusion gifts) and at death before being subject to federal gift and/or estate tax.</p>	<p><u>2019 Amount</u> \$11,400,000</p>
	<p><u>2020 Amount (projected)</u> \$11,580,000</p>



Sue Haberberger concentrates her practice in the areas of estate planning and administration and wealth transfer. She assists clients in the preparation, revision and updating of estate planning documents including wills, revocable living trusts, irrevocable life insurance trusts, powers of attorney (for both asset management and health care), and living wills. Sue also advises individuals on planning for and minimizing estate taxes, and counsels clients on the development of gifting strategies, including annual exclusion gifting and charitable gift planning. Sue also counsels clients on asset protection issues.

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