

Inflation - Adjusted 2023 Transfer Limits 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.

2023 Transfer Limits	
<p><u>Gift Tax Annual Exclusion</u> The annual amount that any individual donor may transfer to each individual donee that does not need to be reported to the Internal Revenue Service (a donor may transfer an unlimited amount to a spouse who is a U.S. citizen). In addition, the donor may make unlimited direct payments for medical and tuition expenses for each donee which will not count against the annual exclusion amount.</p>	<p><u>2023 Amount</u> \$17,000</p>
	<p><u>2022 Amount</u> \$16,000</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>2023 Amount</u> \$175,000</p>
	<p><u>2022 Amount</u> \$164,000</p>
<p><u>Unified Estate and Gift Tax Exemption 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>2023 Amount</u> \$12,920,000</p>
	<p><u>2022 Amount</u> \$12,060,000</p>



Sue Haberberger concentrates her practice in the areas of estate planning and administration and wealth transfer. She assists individuals with the preparation, revision and updating of estate planning documents including wills, revocable living trusts, irrevocable life insurance trusts (ILITs), charitable trusts (CRATs, CRUTs, CLATs), spousal lifetime access trusts (SLATs), dynasty trusts, trusts for children, grantor retained income trusts (GRITs, GRATs), qualified personal residence trusts (QPRTs), premarital agreements, 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 generation skipping taxes, and counsels clients on the development of gifting strategies, including annual exclusion gifting, charitable gift planning and the formation of private and family foundations. Sue also counsels clients on asset protection and probate avoidance issues and modification of irrevocable trusts.

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