



Are You Prepared for an Estate Tax Sunset?



The federal estate tax threshold rose to \$27.22 million in 2024 for married couples and \$13.61 million for individuals as part of the Tax Cuts and Jobs Act (TCJA).

Like several TCJA provisions, the higher estate tax limit is due to sunset in 2025. Barring congressional action, the exemption amount will return to about \$6.8 million, adjusted for inflation, in 2026. Similarly, the current 40% maximum gift and estate tax rate will increase to 45%.^{1,2}

For high-net-worth individuals, this could influence wealth transfer strategies. Although this sunset is coming, the good news is that it's still a few years away.

And there's more good news: your financial professional can help you with your estate strategy, regardless of whether Congress decides to maintain the current threshold.

Now may be an excellent time to get together and start thinking about your post-2025 strategy.

I look forward to your call.



FOOTNOTES

¹USBank.com, 2024

²IRS.gov, 2024



DISCLOSURES

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