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2015 Estate and Gift Tax Exclusions

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Note the applicable level of exclusions for Federal estate and gift tax purposes beginning in 2015.

Although the aggregate lifetime exclusion available to the estates of decedents dying in 2015 for Federal *estate* tax purposes has been increased to **\$5,430,000** (up from the prior level of \$5,340,000), the annual exclusion for Federal *gift* tax purposes remains unchanged in 2015 at the level of **\$14,000** per giver/per recipient/per year. Thus, for instance, a married couple with 2 children and 5 grandchildren can make gifts in 2015 valued up to \$28,000 to each of their 7 descendants.

The above Federal estate tax exclusion remains separate and distinct from the lower state-level exclusions offsetting the estate taxes still imposed by many states (*e.g.*, imposed by Maryland and the District of Columbia). Except for Connecticut, no other state now imposes its own state-level gift tax.