

SUMMARY OF CHANGES IN FEDERAL TAXES

		2009	2010	2011
<i>Federal Estate Tax</i>	Exemption	\$3.5 million	Estate tax repealed	\$1 million
	Top Rate	45%		55%
<i>Federal Gift Tax</i>	Exemption	\$1 million	\$1 million	\$1 million
	Top Rate	45%	35%	55%
<i>Federal Generation-Skipping Transfer Tax</i>	Exemption	\$3.5 million	GST tax repealed	\$1 million + inflation adjustment
	Top Rate	45%		55%
<i>Federal Capital Gains Tax upon Sale of Assets Inherited</i>	No tax on pre-death gain due to step-up in basis		Tax on pre-death gain due to carryover basis; aggregate basis adjustment up to fair market value of \$1.3 million (+ \$3 million for property to spouse)	No tax on pre-death gain due to step-up in basis

Disclaimer

The information contained herein is general in nature and based on authorities that are subject to change. This material may not be applicable to specific circumstances and may require consideration of nontax and other tax factors. Contact our attorneys prior to taking any action based on this information.

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