



**HANCOCK**  
ESTABROOK, LLP  
COUNSELORS AT LAW

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## TRUSTS & ESTATES LAW ALERT

### New Gift and Estate Tax Exemption Levels for 2014

On October 31, 2013, the IRS announced new gift and estate tax exemption levels for 2014.

At the beginning of 2013, the IRS made the new record-high gift and estate tax exemption amounts permanent so that, as of January 1, 2013, a taxable estate of less than \$5,250,000 did not create any liability for federal estate tax. The law also provided for inflation adjustments to the exemption levels.

Because of the 2014 inflation adjustments announced by the IRS on October 31, the exemption amounts for both gift and estate tax purposes will now be \$5,340,000 (up from \$5,250,000). The annual gift tax exclusion amount, which was increased in 2013 to \$14,000, will remain \$14,000 for 2014.

Here is a link to the IRS notice for more detail: <http://www.irs.gov/pub/irs-drop/rp-13-35.pdf>.

**If you have any questions or would like more information on the issues discussed in this communication, please contact any of the following Hancock Estabrook attorneys:**

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