

INTEREST IN TRANSFER TAX REVISIONS BEGINS TO WARM

TUESDAY, JUNE 07, 2011

The last time there was a threat to return to pre-2001 transfer tax rules and levels, Congress sat on its hands for over 9 years. It waited until the last minute at the end of 2010 to avoid such a return, but the new legislation that was passed expires after 2012. If Congress does not act, in 2013 the unified credit will return to \$1 million and the maximum transfer tax rates will rebound to 55% (from a \$5 million unified credit and a 35% maximum rate, for 2011 and 2012).

According to a recent New York Post article, there is interest in Congress to act now to deal with 2013 and beyond. While there is still Republican interest for total repeal, there does seem to be a fair amount of cross-party agreement to extend the \$5 million unified credit amount, but perhaps bump up the maximum rates to 45%. The hope is that Congress will take up the matter if and when it gets past the current debt-ceiling matters.

Early action to deal with the post-2012 situation would be welcome by planners and taxpayers alike. I don't think there are too many out there that would like a replay of the last-minute planning and forecasting that arose from Congress' last minute activities in 2010. As to whether Congress could actually get something done this year? Your guess is as good as mine.

[Senate Eyes Compromise on Estate Tax](#), June 5, 2011

Authored by Charles Rubin, Esq. Mr. Rubin is a Florida Bar Board Certified tax attorney with the firm of Gutter Chaves Josepher Rubin Forman Fleisher P.A. (www.floridatdex.com) His practice focuses on protecting & enhancing individual, family & business wealth through: Planning to Minimize Taxes (U.S. & International) • Estate Planning, Charitable, Marital & Succession Planning • Business Structuring & Transactions • Trusts & Estates (Administration-Disputes-Drafting) • Creditor Protection. He can be reached at 561-998-7847 or at crubin@floridatdex.com. This article was previously published at <http://www.rubinontax.blogspot.com>.