

# **NEWS ALERT**

**from**

## **Probe Lawyers Service**

### **Federal Estate Tax Exclusion Increased**

Pursuant to the Economic Growth and Tax Relief Reconciliation Act of 2001 (Tax Relief Act of 2001) the federal estate tax exclusion for persons dying in 2009 is \$3,500,000.00. The federal estate tax exclusion chart is set forth below:

**Tax Relief Act of 2001**  
**Federal Estate Tax Exclusion Amount**

<b><u>Year of Death</u></b>	<b><u>Amount of Exclusion (size of estate)</u></b>
2002	\$ 1 million
2003	1 million
2004	1.5 million
2005	1.5 million
2006	2 million
2007	2 million
2008	2 million
2009	3.5 million
2010	unlimited
2011	1 million

Please remember that as a general rule federal estate tax, if unpaid, is a lien against a decedent's real property for a period of 10 years from date of death (26 U.S.C. 6324).

Please also remember that for purposes of valuing a decedent's estate for possible federal estate tax applicability the decedent's entire estate is considered, not just the value of the real estate being conveyed. If the taxable value of the estate is less than the applicable exclusion amount, the estate is exempt from federal estate tax.

The New Jersey estate tax exclusion amount remains at \$675,000.00.