



## IRS ANNOUNCES 2021 ESTATE AND GIFT TAX INFLATION ADJUSTMENTS

November 16, 2020

In Revenue Procedure 2020-25, the IRS announced the inflations adjustments for the estate and gift tax exemptions and annual exclusions. Absent further legislation passed by Congress and the Biden administration, the following numbers will apply for 2021:

|   | 2020         | 2021         |
|---|--------------|--------------|
| Gift Tax Exemption                      | \$11,580,000 | \$11,700,000 |
| Estate Tax Exemption                    | \$11,580,000 | \$11,700,000 |
| Annual Exclusion                        | \$ 15,000    | \$ 15,000    |
| Annual Exclusion for Non-Citizen Spouse | \$ 157,000   | \$ 159,000   |
| 6166 "2-Percent Portion"                | \$ 1,570,000 | \$ 1,590,000 |