

## 2019 Federal Transfer Tax Exemptions and Rates

### **Federal Estate Tax**

*Applies if the net value of your estate (assets minus debts) is more than the exemption in effect at the time you die. Some states have their own estate/inheritance tax, often at a lower threshold, so you could be exempt from the Federal estate tax and still have to pay a state tax.*

**2019 Individual Exemption: \$11.4 million**

**Tax Rate on Assets Over Exempt Amount: 40%**

### **Annual Exclusion (Tax-Free Gifts)**

*Amount you can give tax-free to as many individuals as you wish during 2019*

**\$15,000**

### **Generation Skipping Transfer Tax**

*Applies to assets you leave that “skip” a generation, such as directly to your grandchildren—bypassing their parents—and to individuals more than 37 1/2 years younger than you. This tax is in addition to the Federal estate tax.*

**2019 Individual Exemption: \$11.4 million**

**Tax Rate on Transfer Over Exempt Amount: 40%**