

**Richard E. Boretti, CPA, CFP®**

319 Littleton Road, Suite 204

Westford, MA 01886

978-392-3630

[rboretti@cwagroup.com](mailto:rboretti@cwagroup.com)

**Estate and Gift Tax**

**Federal Estate and Gift Tax**

Based on the Tax Cuts and Jobs Act of 2017, the federal estate and gift tax exemption for 2023 will be \$12,920,000, as indexed for inflation. And there is available an estate tax portability election. So, should the election be made, it will allow a surviving spouse's exemption to be increased by the deceased spouse's unused exemption amount.

**Massachusetts Estate Tax**

The Massachusetts estate tax exemption continues to be \$1,000,000, a significant difference from the federal exemption above. In addition, the exemption is not portable between spouses. Therefore, due to the relatively low exemption amount and the inability for spouses to use the other's unused exemption, clients may want to consider some advanced estate planning that otherwise would not be necessary at the federal level.

**Gift Tax Annual Exclusion**

The annual gift tax exclusion is \$16,000 for 2022. It will be \$17,000 in 2023. This allows a donor to give tax free gifts up to these exclusion amounts to an unlimited number of donees. In addition, spouses who consent to split their gifts may transfer up to \$32,000 per donee in 2022 and \$34,000 per donee in 2023.

Please feel free to call or email our office should you have questions in these areas.