

December 2021

Important Update On New Tax Increases

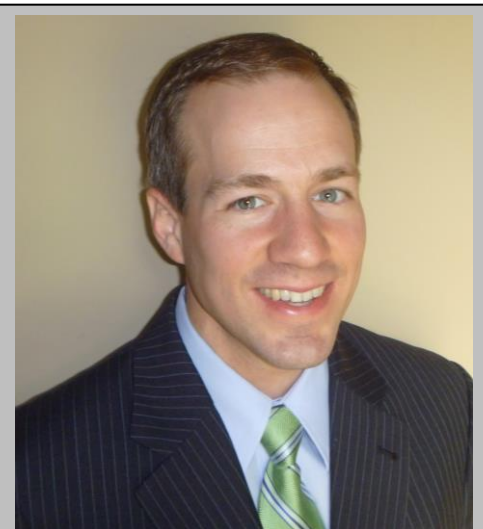
We have been busy tracking national legislation regarding all things taxes. Recent bills in the House have proposed more than 26 new or increased taxes. There is a silver lining. So far, the House plan has excluded President Biden's plan to eliminate step-up in basis, or taxation of capital gains at death. This proposal would have negatively impacted the majority of my clients.

For now, legislation includes reducing the estate tax (or death tax) back to 2011 levels of \$5 million per person adjusted for inflation. If passed, that would mean the death tax would attach to individual estates of approximately \$6 million (\$12 million per couple) in 2022. If you fall within this category, please make sure to book your annual review as soon as possible. We may need to start tax planning strategies that would need to be completed no later than Dec. 31, 2021.

Please note, legislation also includes taking away some of our strategies by stating certain trusts established or funded after Sept. 13 will fall under the new tax structure, instead of the date the bill is enacted. We do not know what (if anything) will pass, but we are trying to be as proactive as possible.

To schedule your review meeting, please call 480-497-3770. If your individual estate at death (including life insurance that pays out when you die) is likely more than \$5 million, please let my staff know. We have set aside separate tax planning review meeting time slots.

Wishing you and your family a very happy holiday season!



W Law Group, LC

Elder Law and Estate Planning
Brent Kellenberger, JD
6900 College Blvd., Suite 820
Overland Park, KS 66211
(913) 706-2384

www.wlaw-group.com

To comply with the U.S. Treasury regulations, we must inform you that (i) any U.S. federal tax advice contained in this newsletter was not intended or written to be used, and cannot be used, by any person for the purpose of avoiding U.S. federal tax penalties that may be imposed on such person and (ii) each taxpayer should seek advice from their tax advisor based on the taxpayer's particular circumstances.