

TAX ALERT

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## Gift and Estate Tax Exemption Increases For 2024

### 2024 Annual Gift Tax Exclusion Increase

The annual gift tax exclusion is designed to allow taxpayers to give a certain amount to recipients without paying any federal estate or gift tax or reducing the taxpayer's lifetime gift and estate exemption.

In 2024, the individual gift tax exclusion is \$18,000 per recipient, up from \$17,000 in 2023. For married couples, the exclusion increases to \$36,000 per recipient.

The annual amount that one may give to a non-US citizen spouse increases to \$185,000 in 2024, up from \$175,000 in 2023.

### 2024 Lifetime Estate and Gift Tax Exemption Increase

The gift and estate tax exemption is \$13,610,000 per individual for gifts and deaths occurring in 2024, an increase from \$12,920,000 in 2023. Married couples can now transfer \$27,220,000 without being required to pay federal estate or gift tax.

The generation-skipping transfer ("GST") tax exemption amount also increases in 2024 to \$13,610,000 per individual.

Note that while the current limit is on the rise, these amounts are set to expire at the end of 2025 unless Congress passes further legislation. Given recent inflation rates, the \$13.61 million limit is expected to be cut about 50% effective January 1, 2026. The increased exemption will be lost to the extent it is not used by the end of 2025.

### Next Steps to Understanding the 2024 Gift and Estate Tax Exemptions

2024 is a good time to reconsider your gift and estate planning. [Talk to your Seiler tax advisor](#) to create a plan that takes advantage of the increased exemptions while still meeting your estate goals.

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