



GIFT TAX

If I want to gift money to my family members during my lifetime, will I have to pay taxes on it? If your estate is close to being over the federal or state estate tax exemption amounts, there are tools to use to reduce your gross estate through lifetime gifting. Be aware of the amount you gift as it may result in having to report it to the IRS. Lifetime gifting is used to reduce the amount of an estate that may owe estate taxes.

Illinois = No Gift Tax (*each state differs)

Federal = Gift tax exemption amount is \$18,000 for 2024. This means, that you can gift up to \$18,000 to as many people you choose and do not have to report it to the IRS. Any gift given to one person over \$18,000 must be reported on Form 709 – Gift Tax Return at tax time. Also note that this amount will count against your lifetime gift tax exemption amount of \$13.61 million (2024 rate).