

# A note on Capital Gains Tax and Step Up in Basis Rules at death

When an asset is transferred upon death, the step-up in basis kicks in and adjusts the value of the asset from when it was originally acquired to its **current** value. The value is "stepped-up" to the asset's value at the time the decedent died.

Essentially, a step-up in basis functions as a reset for the value of the inherited asset to its current value at the date of death.

## Home Sale with Step Up

