



About  
Matthew Crider, J.D.

Matthew Crider formed [Crider Law PC](#) in 1999 so he could help individuals and business owners by providing creative solutions and be their trusted advisor and legal counselor. He serves his clients by listening closely to their goals, dreams and concerns and working with them to develop superior and comprehensive estate and asset protection plans. His estate planning practice focuses on preserving and growing wealth by providing comprehensive, highly personalized estate planning counsel to couples, families, individuals and businesses.

## A Deadline Married People Should Know About

By Matthew Crider, JD | Family Wealth Protection Attorney

There's an important new financial strategy that can be used only once in a lifetime, but which every wealthy married person ought to know about.

It involves a tax break for widows and widowers that was made permanent by the American Taxpayer Relief Act of 2012, according to an article in [Forbes magazine](#).

Starting with deaths that occurred in 2011, and in the future, widows or widowers can carry over the estate tax exemption of the spouse who died and add it to their own. It is called "portability" and allows married couples to transfer \$5.25 million each or a total of \$10.5 million tax free.

Before this took effect, when the second spouse died, the first spouse's exemption would be lost. There was a way around it, but it involved setting up a special trust.

Now, the trust is unnecessary. But it involves filing a special tax return called IRS Form 706 in which portability is elected as an option. The form must be filed even if no tax is due and must be filed within nine months of the first spouse's death, although a six-month extension of the deadline can be obtained.

If you have questions about portability or death taxes, be sure to talk with an estate planning attorney.