

Fiscal Cliff Tax Deal Makes Portability Permanent

By: Hyatt and Weber

<http://hyattweberestateplanning.com/>

The Tax Relief Act of 2010 authorized surviving spouses to combine their own federal tax exemption with the unused portion of a deceased spouse's exemption. In the past, there was no portability option, so each spouse was only entitled to his or her own exemption. The Tax Relief Act allowed the surviving spouse to also benefit from any unused portion of the deceased spouse's exemption.

The American Taxpayer Relief Act of 2012, signed into law by President Obama on Jan. 2, 2013, made portability permanent for married couples.

In order to claim the exemption, a fiduciary tax return must be filed for the deceased spouse, even if no Federal tax is owed by the decedent's estate. Filing a timely fiduciary return for the decedent enables the surviving spouse to use the unused portion of the decedent's Federal Estate Tax exemption. The surviving spouse cannot use the portability feature of the current Federal Exemption unless the decedent spouse's fiduciary return is filed in a timely manner.

An experienced [Annapolis estate planning attorney](#) can help you understand all your options for estate planning. Experienced Estate Planning Attorney Seth B. Zirkle can discuss all your options and create a plan with you. **Call Mr. Zirkle at Hyatt & Weber, P.A. today at 410-505-4553.**