



Crucial Estate Planning Steps Before It's Too Late

Countdown to the sunset of the 2017 Tax Cuts and Jobs Act has started

As 2026 approaches, the financial and legal communities are abuzz with discussions about the imminent sunset of the 2017 Tax Cuts and Jobs Act. For many, this translates to pressing changes affecting their estate plans.

With only two years left to address these modifications, it's imperative to understand the urgency and take action now.

Understanding the Impending Changes

The 2017 Tax Cuts and Jobs Act introduced favorable estate tax provisions, offering a hefty federal estate tax exemption of \$12.92 million per person. However, by January 1, 2026, this exemption is set to drop significantly to roughly half its current value, adjusted for inflation.

Why Immediate Action is Essential

Estate planning is not a process to be hurried. Comprehensive strategies, especially ones revolving around gifting to trusts or establishing gifting vehicles, demand time. Here's why immediate action is crucial:

Short Planning Window: Two years might seem adequate. However, in the realm of estate planning, it's but a blink of an eye. Advisors and clients alike must act swiftly.

Overwhelmed Attorneys: As the 2026 deadline approaches, estate planning attorneys will inevitably face a surge in demand. This influx means many

attorneys might stop accepting new clients long before the deadline, leaving procrastinators in a lurch.

Maximizing the Exemption: By acting now, you'll make the most of the current exemption before it reduces, potentially saving millions in estate taxes.

Steps Clients Should Take Immediately

Consult Your Advisor: If you haven't already, now is the time to meet with your financial advisor. They can provide insights tailored to your unique financial situation.

Review Your Current Estate Plan: Understand the implications of the looming changes on your existing estate plan. A periodic review is always advisable, but now it's non-negotiable.

Consider Gifting: With the high exemption limit, consider gifting assets to trusts or using other gifting vehicles. It's a prime opportunity to move wealth out of your estate and leverage the generous exemptions.

Engage an Estate Planning Attorney: Given the anticipated demand surge, seek out and engage a reputable estate planning attorney sooner rather than later.

Stay Updated: As we inch closer to 2026, there might be new legislative changes, court rulings, or other factors impacting estate planning. Regularly check in with your advisor to stay abreast of these changes.

Act Now

The countdown to the sunset of the 2017 Tax Cuts and Jobs Act provisions is more than a looming date on the calendar; it's a clarion call for immediate action. As a client, seizing the moment now can mean securing a more stable financial legacy for your heirs.

Don't wait until it's too late; the time to act is now.