

# What you Need to Know About the Generation-Skipping Transfer Tax

By: Kevin Von Tungeln

Thompson Von Tungeln

EstatePlanningSpecialists.com

Hiring an estate planning attorney could make all of the difference in your family's financial certainty.

As estate laws constantly change, and the economic landscape becomes increasingly unstable, the assurance of knowing that you have covered all the bases you need to cover can be worth more than its weight in gold (as the saying goes).

For example, in planning for the allocation and distribution of your assets on the event of your death, would you consider such taxes such as the generation-skipping transfer tax?

Would you know what it is?

The generation-skipping transfer tax (GST) is a 45% tax that is applied to estates that are either passed on to grandchildren, thereby skipping one's children, or to someone who is at least 37.5 years younger than the deceased.

Some other information you might not have known about the generation-skipping transfer tax follows:

- This tax was initially created as an attempt to dissuade savvy estate planners who used the generation-skipping technique as a way to circumvent the regular estate tax.
- The generation-skipping transfer tax is repealed, as of the year 2010, but will be reapplied to all estate transfers in 2011.
- There are lifetime exemptions to the generation-skipping transfer tax, and a highly qualified estate planning attorney who has experience in overseeing the transfer of estates will be able to counsel you regarding these exemptions.

The generation-skipping transfer tax is just one of many examples of why having a estate planning attorney who is well-versed in estate law is important - not only for your own certainty, but for the peace of mind it could bring to your family and loved ones who are counting on you to stabilize their financial futures.

Navigating the complicated arena of estate and tax law on your own could potentially be detrimental to your careful planning.

With a large number of individual taxes, loopholes, and penalties imposed by various entities, your hard-earned money could find its way into the hands of someone other than your own

family.

Why take that risk, when an expert can guide you toward the best opportunities that are available to you in consideration of your individual estate planning goals.

If you would like more information concerning your estate planning options, check out the comprehensive online resources for personal wealth management solutions through wills and revocable trusts.

Whether your estate planning goals are immediate or long-term, a qualified California estate planning attorney will be able to counsel you on the best options available to you to meet your individual needs.