



ESTATE TAX PLANNING



We have become accustomed to the idea that federal estate taxes are only for the super wealthy. As of now the estate tax exemption amount allows each person to transfer over \$12 million dollars federal estate tax free.

Beginning 1/01/2026 the current law sunsets or ends according to the terms of the budget reconciliation passed bill. The current projections will put the exemption down to about \$6 million dollars and everything above that threshold taxed at 40%.

With inflated land prices, equipment prices and value of stored grain it doesn't take a massive farm to reach that level.

You also need to look at state taxes to see what you might have to plan for in cash.

Trusts and life insurance can seriously reduce estate settlement costs!