

## Update Your Estate Planning Before Its Too Late

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In anticipation of Tuesday's election, now is the time to prepare for potential outcomes that could affect your estate planning.

The estate and gift tax landscape is very good right now. Any changes are likely to make it less favorable, not more, so it's important to lock in tax benefits while you can. Depending on how things break next week, we could see future legislative attempts to decrease the estate and gift tax lifetime exemption amount (which is currently at an all-time high) or change the rules around portability - the ability to shift unused exemption to a surviving spouse. We might also see an attempt to replace the beneficial basis stepup-up regime with a carryover basis regime, meaning heirs would no longer take a fair market value tax basis in inherited assets, but would instead take over the decedent's basis. There could also be an attempt to effectuate some combination of proposals.

It is likely that any final legislation on these points would not come to be until well into 2021, but any such legislation could be retroactive to the beginning of 2021, so the time to plan is running short.

Once the election results are final, planning discussions can be more productive. At that point, we will be better able to predict what legislative initiatives could be coming. Unfortunately, final elections results may take more time than usual this year. It is very likely that there will be just a narrow window to make and implement tax-driven strategies. With that in mind, here are some small steps that you can take now to put yourself in the best position to react quickly to tax-saving opportunities:

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