

# The Paley Rothman Blog

Paley Rothman shares this library of resources with clients and friends of the firm to help them stay ahead of legal and business developments and trends. Here, you will find helpful tips and tools written by our attorneys. The information in the blogs and articles is not a substitute for legal advice and should not be relied on as such. Should you have any questions or want legal advice, please contact the attorney who wrote the blog or article.

## **FAQ: WHAT ARE THE FEDERAL, MARYLAND, D.C., AND VIRGINIA ESTATE AND GIFT TAX EXEMPTIONS FOR 2022?**

The federal estate and gift tax exemption is currently \$12,060,000 per person. Due to annual inflation adjustments, this amount is expected to increase to \$12,900,000 in 2023. Additionally, it is anticipated that the annual gift exclusion amount will be raised from \$16,000 per donee to \$17,000 per donee in 2023. These changes will create additional planning opportunities for individuals and families wishing to make tax free gifts.

## **KNOCK, KNOCK. WHO'S THERE? THE IRS AND WE'D LIKE TO COME IN AND SPEAK WITH YOU AT YOUR HOME**

Haven't filed a tax return in a while and earn over \$100,000? You won't be able to hide for long. Recently, the Internal Revenue Service announced it will be stepping up efforts by "drop-in" visits to the homes of high-income taxpayers who have failed to file tax returns in prior years in an effort to increase tax compliance and further enforce collection. Sometimes the drop-ins are even unannounced.

## **CLARIFICATION ISSUED FOR TAX SAVINGS ON NET RENTAL INCOME FOR PASS-THROUGH ENTITIES AND INDIVIDUALS**

If you have rental income that you report on your personal tax return, be sure to review these new guidelines with your tax advisor to see if you qualify for deductions against that income.

## **CLIENT ALERT: CT CORP. OUTAGE COULD RESULT IN SERIOUS IMPLICATIONS FOR CLIENTS**

UPDATE (5/14/19): As of Tuesday, May 14, CT Corp. reports that all of its applications have been fully restored and are back online. CT Corp., which is a major provider of Registered Agent services for thousands of businesses nationwide, has been experiencing a massive system outage since Monday, May 6, 2019.

## **DON'T LET NATURAL DISASTERS BECOME YOUR FINANCIAL DISASTER**

Be wary – for scammers, natural disasters are a field day and just another golden opportunity to target those affected and those who want to offer help and support. Don't become a victim.