



## Take Advantage of the Increase In Estate and Gift Tax Exemptions While You Still Can

The window to pass substantial assets to your heirs or other individuals without incurring any gift tax remains wide open—for now. However, it's scheduled to close at the end of 2025. That means there's no time to lose in putting a strategy in place—or reviewing your current strategy—to maximize this opportunity before it's gone.

### Why is this important?

Gift and estate taxes apply to transfers of money, property and other assets. They apply to large gifts made while you are alive, or large amounts left for your heirs when you die. The Tax Cuts and Jobs Act of 2017 (TCJA) significantly increased the annual gift tax and estate exemption amounts, which will continue to be adjusted for inflation each year until the provision sunsets at the end of 2025, if Congress does not extend it.

Today's increased exemption amounts create opportunities to make larger lifetime gifts and leverage more assets through a variety of estate and legacy strategies and techniques, and to shift income producing assets to individuals such as children or grandchildren who may be in lower income tax brackets and/or reside in states with a low-income tax rate or no state income tax.

### What are the exempt amounts for 2023?

For 2023, the annual gift tax exclusion is \$17,000, up from \$16,000 in 2022, and the combined estate and lifetime gift tax exemption is \$12.92 million per individual, an increase from \$12.06 million in 2022. These exemption amounts are scheduled to revert to pre-2018 levels, as adjusted for inflation, on January 1, 2026. However, the final regulations issued by the IRS and Treasury clarified that the government will not claw back amounts given away between 2018 and 2025 with respect to someone who dies in 2026 or beyond, when the gift and estate tax exemptions are set to return to a \$5 million exemption, indexed for inflation, which applied under the prior tax law.<sup>1</sup>

### What should you be thinking about now?

Since no one knows if Congress will choose to extend these higher exemptions amounts beyond 2025, it makes sense to work with your tax, estate and financial professionals now to discuss tax-smart strategies that may benefit you and your heirs.

To learn more about strategies for managing your income and assets in retirement, contact the office to schedule time to talk.

<sup>1</sup> "Estate and Gift Tax FAQs." IRS.gov, <http://www.irs.gov/newsroom/estate-and-gift-tax-faqs>. Accessed 28 Feb. 2023.

## 6 Ways to Pack More Punch Into Your Daily Diet This Month

National Nutrition Month, which is celebrated in March, stresses the importance of a balanced diet. Understanding the relationship between health and diet can be especially important as people age since nutritional needs change over time. However, making changes can be challenging, due to conflicting information about what constitutes a healthy diet, personal dietary requirements, budgetary concerns, or a lack of access to fresh produce and ingredients.

In addition, we're often not aware of some of the natural changes that occur with aging that can alter hunger and thirst cues, or how the body absorbs certain nutrients. Vitamin B12 is a good example. B12 is vital for the healthy functioning of the nervous system and helps your body make red blood cells. However, the ability to absorb B12 can decrease with age. It can also be affected by certain medications. Feelings of thirst can also decline with age, resulting in many older adults falling short of their daily hydration needs.

The more you learn about nutrition and aging, the better you can help protect your health for years to come. If you're looking for ways to make a few healthy changes while ramping up the nutrient value in your daily diet, check out five easy ways to get started below.<sup>1</sup>

1. **Enjoy a variety of foods from each of the five food groups:** fruits, vegetables, grains, protein, and dairy, to help reduce the risk of developing chronic diseases.
2. **Get enough protein to maintain muscle mass.** Protein also supports the immune system and helps blood carry oxygen around the body. Foods that are good sources of protein include lean meats, fish, eggs, beans, nuts, seeds, soy, and certain dairy products.
3. **Focus on the nutrients you need,** including potassium, calcium, vitamin D, dietary fiber, and vitamin B12. Check with your healthcare provider before taking over-the-counter supplements.
4. **Drink water throughout the day to stay hydrated.** Don't forget about fruits and vegetables, which can help you reach your daily hydration goals.
5. **Try to avoid high-sodium, pre-packaged foods.** Instead, choose foods with little to no added sugar, saturated fats, and sodium.
6. **Handle food safely** to avoid foodborne illness (food poisoning).

Want to know if you're getting enough of the nutrients you need to maintain a healthy lifestyle? Visit Nutrition.gov and take the online [nutrition quiz](#).<sup>2</sup>

<sup>1</sup> "Life stages/older adults." MyPlate.gov, <http://www.myplate.gov/life-stages/older-adults> Accessed 27 Feb. 2023.

<sup>2</sup> Be sure to consult with a health professional before starting or changing any diet plan or fitness program.

*This information was written by KRW Creative Concepts, a non-affiliate of the broker-dealer.*

*This communication is designed to provide accurate and authoritative information on the subjects covered. It is not, however, intended to provide specific legal, tax, or other professional advice. For specific professional assistance, the services of an appropriate professional should be sought.*



**Scott Holstein**  
[seh@prudentwm.com](mailto:seh@prudentwm.com)  
(800) 458-9330  
  
Prudent Wealth Management, Inc.  
Wealth Manager | Financial Advisor  
  
<http://www.prudentwm.com>



[Make a phone appointment](#)

Registered Representative offering securities and advisory services through Cetera Advisor Networks LLC, member [FINRA/SIPC](#), a broker/dealer and Registered Investment Advisor. Certain advisory services and financial planning services offered through Vicus Capital, Inc., a federally registered investment advisor. Cetera is under separate ownership from any other named entity.

Confidential: This email and any files transmitted with it are confidential and are intended solely for the use of the individual or entity to whom this email is addressed. If you are not one of the named recipient(s) or otherwise have reason to believe that you have received this message in error, please notify the sender and delete this message immediately from your computer. Any other use, retention, dissemination, forward, printing, or copying of this message is strictly prohibited.

This informational email is an advertisement and you may opt out of receiving future emails. To opt out, please click the "Unsubscribe" link below.

This message was sent by  
Prudent Wealth Management, Inc.  
(800) 458-9330  
301 York Road  
Ste 200  
Warminster, PA 18974

[Unsubscribe](#)