

Economic Growth and Tax Relief Reconciliation Act of 2001 Timeline of Estate, Gift and Generation-Skipping Transfer Tax Provisions

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010*	2011**
Estate tax exemption	\$675,000	\$1,000,000	\$1,000,000	\$1,500,000	\$1,500,000	\$2,000,000	\$2,000,000	\$2,000,000	\$3,500,000	Estate tax repealed	\$1,000,000
Top estate tax bracket	55%	50%	49%	48%	47%	46%	45%	45%	45%	Estate tax repealed	55%
Gift tax exemption	\$675,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Top gift tax bracket	55%	50%	49%	48%	47%	46%	45%	45%	45%	35%	55%
GST exemption	\$1,060,000	***	***	\$1,500,000	\$1,500,000	\$2,000,000	\$2,000,000	\$2,000,000	\$3,500,000	GST tax repealed	***
Basis of estate assets	Basis Step-up									Modified carryover basis	Basis Step-up

* Effective for the year 2010 ONLY, the estate tax and generation-skipping transfer ("GST") tax is repealed.

** Barring additional legislation between now and 2011, starting in 2011, the estate, gift and generation-skipping transfer tax laws revert to 2001 law.

*** The GST exemption amount is increased annually for inflation. Based on current law, it will increase in 2002 and 2003. If the law reverts to 2001 law in 2011, there will be an adjustment to the GST exemption to take into account inflation from 2003 through 2010.