Paul Mason, Colorado Springs Estates Lawyer, Warns Of Year-End Changes to Estate Tax Laws

/EINPresswire.com/ The expiration of key laws in Congress may expose more CO residents to estate or “Death Taxes” after their passing. Colorado Springs attorney, Paul Mason explains these changes, as well as steps to ensure more money goes to your family—and not Uncle Sam—after death.

You’ve worked hard to save money, accumulate assets and leave your loved ones an inheritance after your passing.

But according to Paul Mason, a Colorado Springs estates attorney, the expiration of key tax laws in Congress may now put more local families at risk of owing more than half of their inheritance in “death taxes” after the first of the year.

As a will lawyer in Colorado Springs, Mason explains how preparing now for the much-anticipated expiration of the Bush-Era tax cuts (which were extended temporarily under the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act in 2010) is critical for high-net worth individuals, but also for middle-class families, too. Here’s why:

• If Congress does nothing and the legislation expires, the estate tax will revert from a $5 million exemption to $1 million on December 31st. That means if your estate is worth over $1 million at your passing, your family may be on the hook for significant taxes up to 55%.

• For many people, when you add up the value of your home, life insurance policies, investments and assets, $1 million is usually closer than you think.

• The payment is due in cash just 9 months after you die (or the 2nd spouse dies if you are married), often forcing loved ones to sell assets quickly at depressed market or “fire sale” prices to satisfy the bill.

• There’s a very real chance that up to half of the inheritance you worked so hard to leave your family will go to Uncle Sam.

The good news, Mason says, is the estate or “death tax” is entirely voluntary and there are steps you can take right now to minimize your exposure.

He explains that one such strategy is to utilize the lifetime gift tax exemption, which also set to expire at the end of the year. This law allows you to remove up to $5.12 million (or $10.2 million for married couples) out of your “taxable estate” by gifting it now to future generations. On December 31st at midnight, the exemption amount significantly drops to $1 million.

In other words, for the rest of this year, Mason says that parents can pass along valuable assets to their heirs up $5.12 million (i.e. a house, stock portfolio, part of the family business), without paying a single dime to Uncle Sam.

Mason further notes tools such as living trusts can also be used to minimize your exposure to burdensome taxes after your passing. Your estate planning attorney will advise you on the best strategies to implement based on your wishes and financial needs.

Why Does This Matter Now?

Because proper estate tax planning requires getting appraisals, amending titles and creating airtight documents, Mason warns that planning must be started now before it gets any later in the year. He says that [Colorado Springs estate planning]() firms are already busy handling year-end estate tax planning, and encourages individuals affected by these changes not to wait until the last minute to get professional help.

For more information on upcoming changes to the estate tax laws or on Colorado Springs trust attorney, Paul Mason, please visit MasonLawAndPlanningGroup.com or call (719) 497-0510.

Paul graduated from Texas A&M with a B.A. and spent almost a decade in the Securities Industry. He also has a Juris Doctorate Degree from Southern Methodist University. With his years of experience he believes the legal and financial industry can perform better and is committed to being a trusted lifetime advisor for his clients.

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