



### Recent Changes to Illinois' Estate Tax Laws

On December 16, 2011 Governor Quinn signed legislation that will increase the Illinois' estate and generation-skipping transfer tax exemptions. Specifically, on January 1, 2012 these exemptions will increase from \$2 million to \$3.5 million, and then to \$4 million on January 1, 2013.

What this means is that one can leave more money to one's family and friends (\$1.5 million more next year and \$2 million more in 2013) without incurring any Illinois estate or GST tax. If you have updated your estate plan (i.e. wills and trusts) in the past few years, you do not need to do so again, unless your circumstances have changed substantially (i.e., change to your marital status, birth or adoption of a child, receipt of an inheritance, etc.). Some significant differences still remain between Illinois and federal estate and GST taxes, so planning is necessary to minimize those taxes.

*For more information about this or any other estate planning, tax or business law topic, please contact Ted A. Koester at 312.924.4257 or via e-mail at [tkoester@lksu.com](mailto:tkoester@lksu.com) (Ted A. Koester's profile)*