

EXCLUSION AND TAX RATE CHARTS

| Applicable Exclusion Amount for <u>estate tax</u> purposes | | Applicable Exclusion Amount for <u>gift tax</u> purposes | | Gift Tax Annual Exclusions | |
|---|---------------------|--|---------------|-------------------------------|---------------|
| YEAR | AMOUNT | Years | Amount | Years | Amount |
| 2007 | \$2,000,000 | 2002-2009 | \$1,000,000 | 2008 | \$12,000 |
| 2008 | \$2,000,000 | <i>Notes: Gifting more than the Annual Exclusion, as defined in the next column, may impact the Applicable Exclusion Amount that is available. Please consult an attorney.</i> | | 2009 | \$13,000 |
| 2009 | \$3,500,000 | | | | |
| 2010 | Estate Tax Repealed | | | | |
| 2011 | \$1,000,000 | <i>If you are not a U.S. citizen, the Applicable Exclusion Amount may not be applicable to you. Please consult an attorney.</i> | | | |

Estate and Gift Tax Rates

| Calendar Year | Estate Tax Applicable Exclusion Amount | Estate Tax Applicable Credit Amount ¹ | Gift Tax Applicable Exclusion Amount ² | Highest Estate and Gift Tax Rates |
|--------------------------|--|--|---|--|
| 2008 | \$2 million | \$780,800 | \$1 million | 45% |
| 2009 | \$3.5 million | \$1,455,800 | \$1 million | 45% |
| 2010 | Repealed | \$0 | \$1 million | Gift tax only, equal to top individual income tax rate |
| 2011 & Beyond | \$1 million | \$345,800 | \$1 million | 55% + surtax |

*Note: In 2007-2009, the top rate reduced to 45%.
In 2010, the estate tax is repealed and the top gift tax rate is reduced to 35%.*