

# THE B&B ALERT

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**BEGLEY &  
BEGLEY, PC**

ATTORNEYS AT LAW  
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## **ODDS AND ENDS** **By Thomas D. Begley, III**

### **Tax Tips for 2002**

Happy New Year! The initial wave of relief from the Economic Growth Tax Reform and Reconciliation Act of 2001 (EGTRRA) went into effect on January 1, 2002. From an estate planning perspective, the two most notable changes in the tax law are: (1) the increase of the applicable exemption amount (also known as the unified credit) from \$675,000 to \$1,000,000, and (2) the increase in the amount of permissible annual exclusion gifts from \$10,000 per year person to \$11,000 per year per person.

In light of the sharp increase in the applicable exemption, estate planning professionals should review their clients' will and trusts to ensure that they are still appropriate. For many individuals, the sole reason for the execution of a credit shelter trust was to save taxes. In that event, for couples with combined assets between \$675,000 and \$2,000,000, revisions in their wills and trusts may be necessary. For a couple whose assets are less than \$1,000,000, a conversion to a simple will may be warranted. For couples whose assets range between \$1,000,000 to \$2,000,000, a conversion to a disclaimer trust may be recommended. In either event, the cost to do so should not be extraordinary as the assets of the clients usually do not need to be re-titled nor do these laws affect the validity of ancillary documents such as living wills and powers of attorney.

### **Probate Fees**

Effective immediately, the probate fees across the State of New Jersey have increased.

- Filing fees for Verified Complaints and Orders to Show Cause have increased from \$135 to \$175.
- Filing fees for Letters Testamentary have increased from \$50 to \$100 plus from \$3 per page to \$5 per page for each page in the Will.
- Filing fees for Letters of Administration have increased from \$40 to \$125.

- The cost of short certificates has increased from \$3 to \$5 per certificate.
- Filing fees for release and refunding bonds has increased from \$3 per page to \$5 per page.
- Photocopies have increased from \$3 per page to \$5 per page.



Begley & Begley P.C. is a law firm that concentrates on Estate & Tax Planning, Elder Law, Estate Administration, Guardianship and Will Contests, Real Estate, as well as Medicaid Planning. We are based in Moorestown, NJ, with offices in Avalon and Lawrenceville.

Please visit us on the World Wide Web at:

[www.begleylawyer.com](http://www.begleylawyer.com)

Our web site contains a library of firm newsletters, articles, on-line forms for Medicaid, Estate Planning and Guardianship, as well as our upcoming speaking engagements, our products, and other relevant information.

**If you are interested in having an Elder Law Attorney from Begley & Begley speak at an event, please contact Laura Dickens at (856) 787-4233.**

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