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Estate Planning Update July 2018 - Connecticut Estate Tax Interim Update

Connecticut enacted a new law in October 2017, calling for the Connecticut estate tax exemption to match the federal estate tax exemption beginning in 2020. For further details, see our article, "[Connecticut Increases Its Estate and Gift Tax Exemptions](#)," in the December 2017 *Update*. The Connecticut legislature did not anticipate the doubling of the federal estate tax exemption under the new federal tax law, which was enacted a few months later. The Connecticut legislature is working on a change that would address what is now a steep increase in the Connecticut estate tax exemption (from \$3.6 million in 2019, to \$11.18 million plus an inflation adjustment in 2020). Whether the ultimate solution is capping of the exemption at a figure of closer to the 2017 exemption or a more gradual ramp-up until the Connecticut exemption matches the federal exemption remains to be seen. Expectations are, however, that the matter will be resolved well before 2020.