

HANDLING FEDERAL ESTATE AND GIFT TAXES

Revised, 6th

2026 Edition
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by

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of the Connecticut, Florida, and New York bars

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VOLUME 1

Chapters 1–12



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Authors' Highlights

Author's Note

On July 4, 2025, President Trump signed into law PL 119-21, popularly known as the “One Big Beautiful Bill Act” (OBBBA). While OBBBA made numerous changes to the tax code, there was only one change to the transfer taxes of Subtitle B: an increase in the basic exclusion amount to \$15,000,000, indexed for inflation after 2026. I.R.C. § 2010(c)(3)(A). The legislation states the effective date “*apply to estates of decedents dying and gifts made after December 31, 2025.*”

Since the OBBBA was passed shortly before this edition (Fall 2025) went into production, the text in the first edition of 2026 will reflect the OBBBA changes.

Volume 1

§ 6:201 Election required—Failure to make QTIP election

Added to footnote 4, three 2025 private letter rulings permitting an extension of time to make a QTIP election after the estate tax return was filed.

§ 7:12 Portability: Final regulations clarify many issues

Added a synopsis of *Estate of Rowland v. Commissioner* to footnote 7. In *Rowland*, the Tax Court held on partial summary judgment that the estate tax return filed by the deceased wife's estate did not comply with the requirements of Rev. Proc. 2017-34 for requesting the deceased spousal unused exclusion amount since the return did not contain the fair market value of any assets and only used an estimated value for the gross estate.

§ 7:13 Extension of time to make portability election for decedents dying after December 31, 2010

Added citations to footnote 1 of several 2025 private letter rulings allowing extensions of time to make an election under I.R.C. § 2010(c)(5)(A) permitting surviving spouse to utilize decedent's deceased spousal unused exclusion (DSUE) amount.

Volume 2 (starts at Chapter 14)

§ 19:43 Extension of time to apply the GST exemption amount

Added to footnote 7, several 2025 private letter rulings permitting an extension of time to allocate the GST exemption amount.

§ 19:45 Election out of automatic allocation rules: Election out statement

Added to footnote 3, several private letter rulings permitting an extension of time to opt out of the GST automatic allocation rules.

§ 19:57 Time and manner of reverse QTIP election—Extension of time to make election

Added citations to footnote 1, a private letter ruling allowing an extension of time to make a reverse QTIP election.

§ 19:64 Modifications to exempt trusts—Trusts created after October 22, 1986

Added new illustration for Private Letter Ruling 202528006, ruling that the merger of two very similar trusts did not affect the GST exemption.

§ 19:67 Modifications to “grandfathered” exempt trusts: partitions and divisions

Added to footnote 3, a private letter ruling allowing a grandfathered exempt trust to be divided into six trusts without affecting the GST exemption.

Dedication

To our families.

JMK KMY

About the Authors

Myron Kove (Mike) has been co-author of *Handling Estate and Gift Taxes* for several years. As co-author he substantially revised and updated the text using knowledge gained over his long and distinguished legal career. Mike is now taking his retirement and Kevin Yamamoto, Professor of Law at South Texas College of Law Houston, is the new co-author. Professor Yamamoto is the editor of *Federal Transfer Taxes Code and Regulations* and many articles and books on the subject of estate tax. We congratulate Mike on his retirement and are grateful for his very important contribution to the text.

James M. Kosakow, a partner at McLaughlin & Stern, LLP, New York, NY, and a Fellow of the American College of Trust and Estate Counsel, is admitted to practice in New York, Connecticut and Florida, and before the U.S. Tax Court. He is co-author with Professor Gerry Beyer of *Revocable Trusts 5th* and *Irrevocable Trusts 4th*, both published by Thomson Reuters, and is a contributing author to *Strategies for Trusts and Estates in New York, 2015 Edition: Leading Lawyers on Analyzing Recent Developments and Navigating the Estate Planning Process in New York (Inside the Minds)*. He was assistant editor of *Insights and Strategies*, a nationally distributed monthly financial and estate planning newsletter for professionals and has authored or co authored more than twenty articles in the field of estate planning and trust and estate administration. Jim was an Adjunct Professor of Estate Planning in the Center for Professional Education at the Pace University Lubin School of Business and the Department of Finance, Law and Taxation at New York University School of Continuing and Professional Studies. He has been named by *Worth* magazine as one of the “Top 100 Attorneys” in the nation for private clients, by *Law & Politics* as a “New York Super Lawyer” and as one of *The Best Lawyers in America* for Trusts and Estates by U.S. News-Best Lawyers. He is also rated AV Preeminent by Martindale-Hubbell, identifying him as part of a select group of lawyers recognized for their legal abilities and professional ethical standards. He serves on the Planned Giving Advisory Councils of the American Cancer Society, The New York Historical Society and the Hospital for Special Surgery. Jim received his bachelors degree from Connecticut College and his law degree from Benjamin N. Cardozo School of Law at Yeshiva University.

Kevin Yamamoto is a law professor at South Texas College of Law Houston, teaching courses in income, estate, and corporate tax. Kevin received his bachelor’s degree from the University of California, Davis, his law degree from the University of San Diego College of Law, and LL.M. in Taxation from the University of Florida. He is the co-author of a number of books published by West on the subject of taxation.

Preface

Tax law is constantly evolving, either through legislation, judicial decision, or regulatory pronouncements. We will continue to report twice-yearly subsequent developments, which will be integrated in the text rather than in the form of separate supplements.

A continuing feature (following the copyright page) is the Authors' Highlights, which lists several recent important developments (reported in greater detail in the text) which may be of special interest to practitioners. The Authors' Highlights will change with each new edition.

In the preparation of this revised edition, we wish to acknowledge the contribution of John Oberst, Attorney Editor. His insightful comments and suggestions were of great value in the preparation of the manuscript. We also thank Mary Hoggard, Legal Assistant, and Jennie Sheehan, Trusts and Estates Paralegal, both with McLaughlin & Stern LLP, for their assistance in editing the text.

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