



Dean, Mead, Egerton, Bloodworth, Capouano & Bozarth, P.A.  
800 N. Magnolia Avenue  
Suite 1500  
Orlando, FL 32803

407-841-1200  
407-423-1831 Fax  
www.deanmead.com

Orlando  
Fort Pierce  
Viera  
Gainesville

MATTHEW J. AHEARN  
SHAREHOLDER  
407-841-1200  
mahearn@deanmead.com

November 8, 2011

***The Super Committee Proposal  
to Reduce \$5,000,000 Federal Gift Tax Exemption***

The Joint Select Committee on Deficit Reduction (the "Super Committee"), a 12 member bipartisan Congressional committee, is scheduled to announce its proposals on November 23rd for reducing the national deficit by at least \$1.5 trillion over the next 10 years. The Super Committee proposals may include changes to the current estate, gift and generation-skipping transfer tax laws. Of immediate importance to you and your clients, we have heard rumors that the Super Committee may propose a reduction in the Federal gift tax exemption from the current \$5 million exemption to \$1 million. It is possible that the Super Committee may recommend these changes to become effective as early as November 23, 2011.

Although the rumor of an immediate reduction in the Federal gift tax exemption is unsubstantiated and information on specific proposals of the Super Committee is not yet available, the possibility of such a reduction has been widely discussed by practitioners around the country. Therefore, we wanted to share this information with you in the event you or your clients are considering utilizing the \$5 million Federal gift tax exemption. Under current law, the \$5 million exemption is scheduled to expire on December 31, 2012. However, the Super Committee proposals may seek to accelerate this deadline. **If you or your clients are considering making any gifts in 2011, it may be advisable to complete these gifts prior to November 23rd, if possible. Additionally, you or your clients may want to consider accelerating gifts that were otherwise planned to be made in 2012 to avoid any potential impact from the Super Committee proposals.**

We will keep you advised of any further developments. In the meantime, please do not hesitate to contact any member of the Estate and Succession Planning Department with any questions.

We also invite you to subscribe to our Blog at <http://www.floridatrustsestatesblog.com/>.