Date			Completed
Payroll Date	Deposit Date	Semi-Weekly Payroll Tax Deposits. Employers that are semi-weekly depositors generally must deposit taxes withheld and FICA taxes on payrolls paid on Wednesday, Thursday or Friday on or before the following Wednesday, and deposit taxes from payments on other days on or before the following Friday. Deposit electronically. Indicate Form 941, Federal Tax Deposit, and third quarter.	
July 28 - 30	Aug 4		
31 - Aug 3	6		
Aug 4 - 6	11		
7 - 10	13		
11 - 13	18		
14 - 17	20		
18 - 20	25		
21 - 24	27		
25 - 27	Sep 1		
28 - 31	3		

Date	Event	Completed
1	World Wide Web Anniversary, 1990.	
4	National Coast Guard Day.	
7	Art in the Park, Centennial Park, Holland, 9 AM - 5 PM.	
12 - 15	National Blueberry Festival, South Haven.	
12	Michigan sales and use tax deposit for month of July to claim early payment discount.	
16	Employers that are monthly depositors must deposit taxes withheld and FICA taxes on payrolls paid during July. Deposit electronically. Indicate Form 941, Federal Tax Deposit, and third quarter.	
16	Corporations with fiscal year ending August 31, November 30, February 28, or April 30: • Deposit estimated federal income tax electronically. Indicate Form 1120 and Federal Tax Deposit.	
16	Corporations with fiscal year ending April 30: • Federal Income Tax Return - Form 1120. • Deposit balance of tax due electronically. Indicate Form 1120 and Balance Due on Return. • Pay accrued compensation, charitable contributions, retirement plan contributions, etc.	
16	Corporations with fiscal year ending October 31, January 31, April 30, or July 31: • Pay CIT estimate to State of Michigan.	
20	Michigan Sales, Use and Withholding Taxes Return for the month of July.	
23 - 28	Hudsonville Community Fair.	
24	First Day of School, Holland Public Schools.	
28 - Sept 2	US Senior Amateur Golf Championship played in Grosse Pointe Farms, MI.	
30 - Sept 12	US Open Tennis Championship, Flushing Meadows, NY.	
31	First Day of School, Zeeland Public Schools.	
31	Corporations with fiscal year ending April 30: • File CIT return and pay balance due to State of Michigan.	

JULY

SU	M	T	W	TH	F	SA
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

AUGUST

SU	**M**	**T**	**W**	**TH**	**F**	**SA**
1	**2**	**3**	**4**	**5**	**6**	**7**
8	**9**	**10**	**11**	**12**	**13**	**14**
15	**16**	**17**	**18**	**19**	**20**	**21**
22	**23**	**24**	**25**	**26**	**27**	**28**
29	**30**	**31**				

SEPTEMBER

SU	M	T	W	TH	F	SA
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

August 2021

PLANNING FOR A LOWER ESTATE TAX EXEMPTION (PART 1)

When the Tax Cuts and Jobs Act (TCJA) doubled the estate tax exemption, it significantly reduced the number of potentially taxable estates. As a result, the pressure to transfer assets out of the taxable estate prior to death was somewhat lessened. With such a high exemption (and power of portability), avoiding estate tax became less of a pressing matter for many high net worth individuals. However, many of the TCJA provisions, including the higher exemption, are subject to sunset on 12/31/2025. Whether the increased exemption will be extended past that date presumably hinges on the tax agenda of the new administration.

In the past, President Biden has proposed reverting the exemption back to pre-TCJA levels ($ 5 million, adjusted for inflation), although a return to the pre-2010 exemption ($ 3.5 million) also has been proposed. Under the new administration, there is no indication that the current $ 11.7 million estate tax exemption will be extended past the sunset. Therefore, taxpayers should structure estate plans under the assumption that the historically high exemption is temporary.

The vast majority of the country does not have $ 3.5-$ 5 million in the bank, and very few estates actually pay estate tax. However, many people own certain assets, such as real estate, that have appreciated over decades. Perhaps it's old farmland or a beach house that has been in the family for years and was never viewed as an investment. The valuation of artwork or an ownership stake in a successful small business may be significantly higher than expected. Someone who never earned hundreds of thousands of dollars per year, but contributed significantly to a retirement account may very well end up with $ 1-$ 2 million in his or her account upon retirement. The estates of such individuals may end up paying estate tax that could have been easily avoided with a little bit of planning.

Take Inventory. When developing an estate plan, individuals should take inventory of all their assets and liabilities. In addition to recording the current value of the assets, future value and growth should be considered. Potential future inheritances may significantly impact the estate. Married and engaged couples should understand the financial situations of each spouse's family. Unexpected financial windfalls may counteract and/or complicate estate planning strategies.

Marital Benefits. Currently, there are two critical benefits for married individuals: portability and an unlimited marital deduction. Portability allows the surviving spouse to increase his or her exemption by the amount of the predeceased spouse's unused exemption. The marital deduction allows assets to be transferred to the surviving spouse tax-free. Currently, the marital deduction does not have a statutory limit. These benefits allow a married couple to structure their estate plan such that no estate tax is paid with the passing of the first spouse.

It is important to remember that these benefits did not always exist and could in theory be revoked or limited in the future. The good news is that neither portability nor the unlimited marital deduction appear to be the target of any serious legislative proposals. That could always change in the future, but estate plans should take full advantage of these two marital benefits.