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A taxable gift is a transfer of assets from one person to another that is subject to gift tax.

The federal annual gift tax exclusion in 2015 allows every person to transfer up to \$14,000 per year to each of any number of other people (the \$14,000 is indexed for inflation and may change in future years). Transfers above this amount are taxable gifts.

For example, if a father gives each of two sons \$50,000, the taxable gifts total:

$$2 \times (\$50,000 - \$14,000) = \$72,000.$$

If a father and mother give the gifts together, the taxable gifts total:

$$2 \times (\$50,000 - \$28,000) = \$44,000$$

Transfers to a spouse in which no other person has a subsequent interest are covered by the [unlimited marital deduction](#) , eliminating any actual gift tax. The gift tax on taxable transfers to non-spouses may be partially or completely offset by the donor's [gift tax credit](#)

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