

## Gift Taxes

*A little info to make you less worried about making gifts!* 😊

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Sometimes people feel hesitant to give gifts because they have heard of the “gift tax,” or they believe there might be a limit to gifts. Do you need to worry about this? Probably not, but here are a few things to know:

- **There is no limit! Just give!** Sometimes people hear about the requirement to file a gift tax return (see next item) for gifts \$19,000 and over. We want to emphasize: \$19,000 is not a gift limit, and there is no limit to how much money you can give away.
- **You might need to file an informational return, but not pay taxes:** The amount generally changes every year, but in 2025, if you (an individual) give a gift to an individual or to a non-charity, and if the gift is over \$19,000 during one tax year, you will need to [file Form 709 to report the gift](#), but **neither you nor the recipient need to pay taxes on the gift**. This is purely an informational return unless or until you give gifts totaling more than the current estate tax limit.
- **Gift tax is something you pay only if you give away A LOT of money in your lifetime or at death:** [Gift tax](#) is related to [estate tax](#). The idea is that if a person dies with a large estate (more than \$13.99 million, as of 2025) or if they give away that much in their lifetime, then the amount above that limit will be subject to a gift or estate tax. This is our tax system’s meager attempt to recapture some of the wealth that has disproportionately accumulated with wealthy families. The idea of a gift tax and the filing of informational gift tax returns is to combine and count the gifts you give both during your lifetime and at death, for the purpose of the estate tax. Form 709 keeps a running tally of the gifts during your lifetime.
- **Filing Form 709 and keeping records:** This is a fairly simple form you file at the same time as your tax return. You’ll list the gifts you made in the tax year, as well as amounts from past years. Be sure to keep copies of all of the Forms 709 that you file in your life, both for your own records, and for your estate administrator. Consider keeping a spreadsheet to add up gifts over time. Once you exceed the lifetime limit, you will begin paying taxes. If you give away that much to individuals and non-charities during your lifetime, thank you for your effort to redistribute the wealth!
- **More information:** Are gifts taxable to recipients? Usually no. See [our separate handout](#).

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