

First Jersey Title Reports

*a periodic newsletter from **First Jersey**
to keep you up to date with the changes in **Title Services**.*

Reminders for 2006

Federal Estate Tax Exclusions

The Economic Growth and Tax Relief Reconciliation Act of 2001 for Federal Estate Taxes have again increased the exclusion for decedents dying in 2006 to \$2 million dollars. This exclusion has been raised from the previous limit of \$1.5 million, which has been in place for the past 2 years. The fate of the tax is still being debated and we will keep you informed as to any changes that may occur.

In determining whether an estate is subject to the tax, it is important to remember that the tax is calculated on the value of the entire estate, not merely on the value of the realty being conveyed. The tax, while unpaid, constitutes a lien on the realty and has a duration of 10 years from the date of death.

Post-Judgment Interest Rates

The annual post-judgment interest rate is equal to the average rate of return for the State of New Jersey Cash Management Fund for the preceding fiscal year, rounded off to the nearest one-half cent. (New Jersey Lawyers Diary and Manual 2006) The increase for interest rates on judgments entered between January 1, 2006 and December 31, 2006 is 2.0%.

If you should need to calculate judgment interest, please call our office and we will be glad to compute the figures for you.

If there are any subjects of interest to you or your firm, please do not hesitate to let us know. We are anxious to assist you in any way possible and look forward to keeping you on the "cutting edge" of the ever changing world of Title.

If you did not receive this message directly from First Jersey Title Services Inc. and would like these Newsletters in the future, please send your name and email address to: info@firstjerseytitle.com and we will add you to our Newsletter Address Book.

This newsletter provides general information only. The information contained herein, while we believe to be reliable and accurate, should not be used as a substitute for review of your specific situation with your counsel or advisor. In no circumstances is this newsletter intended to be a complete treatise of the subject matter. It is intended as insight into new developments and a beginning point for gathering additional information.



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