

Rev. Proc. 2022-38 and Inflation Adjustments for 2023

November 21, 2022

2022-12

Rev. Proc. 2022-38, 2022-45 IRB 1, makes various 2023 inflation adjustments. One adjustment is for the basic exclusion amount which will increase to \$12.92 million from \$12.06 million. This amount will also apply for the generation-skipping transfer tax. See IRC Sec. 2631. Another adjustment is for annual exclusion gifts which will increase from \$16,000 to \$17,000. The annual exclusion for gifts to non-citizen spouses will be \$175,000. For income tax purposes, (i) the exemptions and (ii) the standard deductions have been increased and the rate brackets have been changed.

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related professionals

Richard B. Covey / Senior Counsel

D 212-732-3200

covey@clm.com

Jerome J. Caulfield / Partner

D 212 238-8809

caulfield@clm.com
