TNS Associates Addresses Estate Planning Implications of New Federal Tax Legislation

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DENVER, CO - May 19, 2026 -
TNS Associates, a Denver-based law firm with more than four decades of experience serving clients across a broad range of legal matters, is drawing attention to significant changes in federal estate and gift tax law following the passage of H.R. 1, commonly referred to as the One Big Beautiful Bill Act. The legislation, signed into law on July 4, 2025, introduces updates that affect estate planning strategies for individuals and families across the country, with key provisions taking effect in 2026.

Under previous law, the federal estate and gift tax exemption for individuals dying in 2025 stood at $13.99 million per person, or approximately $28 million for married couples utilizing portability. That figure had been set to revert to pre-2018 levels of roughly $5 million per person, adjusted for inflation, beginning in 2026 under the original framework established by the Tax Cuts and Jobs Act. The new legislation changes that trajectory entirely, resetting the base exemption to $15 million per person starting in 2026, indexed for inflation on an ongoing basis. For married couples electing portability, the combined exemption reaches $30 million.

"The passage of this legislation represents a meaningful shift in how individuals and families should be

thinking about their estate plans," said Thomas N. Scheffel, Founding Attorney at TNS Associates. "Many documents that were drafted under previous exemption levels included strategies that no longer serve their intended purpose under the new framework. This is a moment when a careful review of existing plans is not just advisable but genuinely important for anyone whose documents were built around avoiding estate tax under much lower thresholds."

The change is expected to reduce the number of estates subject to federal estate tax, as the higher exemption places the tax out of reach for a greater share of the population. However, legal professionals have noted that the shift does not eliminate the need for proactive estate planning. Structures such as marital and bypass trusts, commonly known as A/B trusts, were widely used under previous law to preserve each spouse's exemption when limits were considerably lower. With portability now available and exemptions significantly higher, those structures may introduce unnecessary complexity or limit a surviving spouse's access to assets without providing meaningful tax benefit in return.

TNS Associates has also identified income tax planning as an area of increasing relevance in the wake of the legislation. With the estate tax exemption now substantially higher and structured to remain in place beyond the current administration, the strategic focus for many individuals is expected to shift toward income tax considerations, particularly the step-up in income tax basis that occurs at death. Planning approaches that were previously secondary to estate tax avoidance may now warrant greater attention as the primary vehicle for long-term financial efficiency.

The firm noted that outdated trust terms and gifting strategies developed under prior law may no longer align with a client's current net worth, family structure, or tax exposure, and that a review of existing documents is appropriate for anyone whose plan predates 2018 or was structured around exemption levels that are no longer applicable. For individuals whose estates do exceed the new thresholds, the legislation does not eliminate the federal estate tax but rather raises the point at which it applies, making careful planning remain relevant for high-net-worth individuals and families.

TNS Associates has been serving clients in the Denver area since 1983, providing legal counsel across a range of practice areas. The firm approaches each matter with the philosophy that the client's objectives drive the legal strategy, applying practical and cost-effective solutions designed to achieve durable results.

For more information about TNS Associates and its legal services, visit TNS Associates.

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TNS Associates P.C. has been serving our clients since 1983. We would value the opportunity to speak with you regarding any legal questions you may have. We provide ?Legal Solutions You Can Trust.?

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