

[Sender's Name/Law Firm]  
[Street Address]  
[City, State, Zip Code]  
[Phone Number]  
[Email Address]

[Date]

[Client Name]  
[Client Address]  
[City, State, Zip Code]

**RE: State-Specific Estate Taxation Advisory for [State Name]**

Dear [Client Name],

As part of our ongoing estate planning services, we are providing this advisory regarding the specific estate and inheritance tax laws currently applicable in the State of [State Name].

**1. State Estate Tax Overview**

In addition to federal estate taxes, [State Name] imposes its own [Estate Tax / Inheritance Tax / No Death Tax]. As of [Current Year], the state-level exemption amount is set at \$[Amount]. If your gross estate exceeds this threshold, the state may impose a tax rate ranging from [Percentage]% to [Percentage]%.

**2. Federal vs. State Decoupling**

It is important to note that [State Name] is "decoupled" from federal tax laws. This means that even if your estate is below the federal exemption limit (currently \$[Federal Amount]), it may still be subject to taxation at the state level.

**3. Inheritance Tax (If Applicable)**

[Optional: Mention if the state taxes the beneficiaries based on their relationship to the deceased, rather than taxing the estate itself.]

**4. Residency and Situs Issues**

Please be aware that any real property held in other states may be subject to the tax laws of those specific jurisdictions. Conversely, maintaining a primary residence in [State Name] subjects your worldwide intangible assets to local taxation.

**5. Recommended Strategy**

To mitigate potential tax liabilities, we recommend reviewing the following strategies:

- Lifetime gifting programs to reduce the taxable estate.
- The utilization of Credit Shelter Trusts or bypass planning.
- Charitable bequests.
- Reviewing the ownership of life insurance policies.

Tax laws are subject to frequent legislative changes. We recommend a formal review of your estate plan every [Number] years or whenever significant financial changes occur.

Please contact our office at [Phone Number] to schedule a consultation to discuss how these state-specific laws impact your current distribution plan.

Sincerely,

[Signature]

[Name of Attorney/Advisor]

[Title]