

Do I have to file a gift tax return if I give money to grandkids?

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By [Karin Price Mueller | NJMoneyHelp.com for NJ.com](#)

Q. I understand that I can give up to \$15,000 per grandchild without tax consequences each year. But do I have to file a gift tax return for each child?

— Grandma

A. You're correct that in 2019, you are permitted to give as much as \$15,000 per beneficiary without any federal or New Jersey state gift tax implications.

A gift tax return is not required for gifts below the [annual gift tax exclusion](#), said Marnie Hards, a certified financial planner with Aznar Financial Advisors in Morris Plains.

But, she said, you may want to file one anyway to establish the value of any gifts of property.

If you're married, remember that each person is entitled to his or her own [\\$15,000 exclusion](#), so you may gift \$15,000 to an individual and your spouse may also gift \$15,000 to that same individual without any negative gift tax implications, Hards said.

"If you `gift split' then a [gift tax return](#) is required to be filed by each of you," she said. "The deadline for gift tax returns is April 15 of the year following the year of the gift."

You'd file [Form 709](#) in that case.

Hards said you may gift in excess of the annual exclusion amount and not pay gift taxes as well, but this gift amount - in excess of the \$15,000 per beneficiary - would reduce the amount you can pass at death free of estate tax. This amount is currently \$11.4 million per person, she said.

There are also unlimited exclusions available if you make direct gifts to [qualified charitable organizations](#), educational institutions for [tuition payments](#), medical institutions for medical bills or to your U.S. citizen spouse, she said.

“To get the exclusion, the gift must be made directly to the institution itself,” Hards said.

Email your questions to Ask@NJMoneyHelp.com.

Karin Price Mueller writes the [Bamboozled](#) column for NJ Advance Media and is the founder of [NJMoneyHelp.com](#). Follow NJMoneyHelp on Twitter [@NJMoneyHelp](#). Find [NJMoneyHelp](#) on Facebook. Sign up for [NJMoneyHelp.com](#)'s [weekly e-newsletter](#).
