



FALL 2023

SHERRARD, GERMAN & KELLY, P.C.  
ATTORNEYS AT LAW

moving forward

## Maximizing the Federal Estate Tax Lifetime Exemption in Light of 2025 Sunset Provisions

For high-net worth individuals and married couples interested in passing on their wealth, the lifetime federal estate, gift, and generation-skipping tax exemption (Exemption) is a helpful tool. Leveraging the Exemption to minimize one's total estate tax liability and preserving one's hard-earned assets is an important part of estate planning.

Individuals with estates valued at less than the Exemption at their time of death do not pay federal estate tax. For those with assets in excess of the Exemption, the impact can be dramatic: every dollar over the Exemption passing to a non-charitable beneficiary is subject to estate tax with a maximum rate of 40%.

As of 2023, the Exemption is \$12.92 million per person and \$25.84 million for a married couple. Individuals using the whole of the Exemption are able to avoid \$5.168 million in federal estate tax (\$10.336 million for a married couple).

However, all good things may be coming to an end as the record-high Exemption is slated to drop on December 31, 2025, returning to \$5 million (adjusted for inflation) beginning January 1, 2026.

The current Exemption amounts provide a golden opportunity for thoughtful estate planning before 2026. In a sense, the elevated Exemption is "use it or lose it" and those making use of the Exemption prior to 2026 will have "locked in" the higher Exemption amount.

The options to utilize the Exemption are extensive. Married couples, for example, can use a technique involving a gift to a Spousal Limited Access Trust (SLAT). A gift to a SLAT allows one spouse to use his/her Exemption while allowing the other to continue to control and utilize the assets gifted to the SLAT. Unmarried individuals, or married couples who do not believe they will ever need access to any amounts gifted, can make gifts, outright or in trusts, to children, grandchildren or anyone else. In certain circumstances, such gifts can be coupled with the use of entities such as family limited partnerships to allow the use of valuation discounts to further leverage use of the Exemption.

If you would like to discuss the Exemption and options to take advantage of the Federal Estate Tax savings available, please reach out to your Sherrard, German & Kelly, P.C. contact or a member of the Estate and Trusts Services Group listed below.



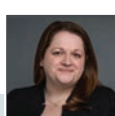
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## American Law Institute 100th Anniversary Event Honoring SGK Predecessor Firm Member



The American Law Institute celebrated its 100th anniversary this year and took time to highlight the impact lawyers from Western Pennsylvania have had on ALI at a recent event held on October 3rd at the Joseph F. Weis Jr. United States Courthouse in downtown Pittsburgh. Among the notable speakers at the event were Judge Thomas M. Hardiman (Third Circuit), Chief Judge Mark R. Hornak (W.D. Pa.), Judge Joy Flowers Conti (W.D. Pa.) and Professor Ron Brand (University of Pittsburgh School of Law). At the event, a notable ALI founding member honored was George E. Alter, a prominent figure in the early American legal world and a named partner of one of SGK's predecessor firms, Alter, Wright, and Barron. As important as he was to the legal world at large, he was equally, if not more, important to us here at SGK for his contributions and stature as a key member of SGK's predecessor firm. One of SGK's main Conference Rooms is named in honor of George Alter to this day.

The ALI has been involved in important legal projects throughout the years, notably publishing Restatements of Law and model codes like the Uniform Commercial Code and the Model Penal Code. They seek to produce scholarly work to clarify, modernize, and otherwise improve the law. The founders of ALI thought that the law is unnecessarily uncertain and complex and their mission to simplify the law has endured throughout the years.

George began his legal studies inauspiciously, graduating from public school and studying short-hand and typewriting at night school. After becoming a stenographer, he took up the study of law in the office of William Yost, Esq. and was admitted to practice on December 16, 1893. George began to quickly grow his practice, but he never forgot his humble beginnings. Even before the creation of the ALI, George was working to revise and simplify the law. He worked on revising Pennsylvania tax and corporation law in 1911 and helped codify the law of decedents' estates in 1915. In 1923, he helped form ALI and was Chairman of the Committee on Membership by 1924 and became a member of the Executive Committee in 1932.

George's work did not begin and end with ALI and revisions of the law, as he was also a member of the Pennsylvania House of Representatives for three consecutive terms, being elected the Speaker of the House in 1913. During his time in the House, he was the chief sponsor of many bills, including one that outlined protections for minor children. As Speaker, he presided over Pennsylvania's ratification of the 17th Amendment, allowing for the direct election of Senators. George then served as the Attorney General of Pennsylvania and after his term was over, ran a campaign for governor with a slogan that paid homage to his simple upbringing: "From Farm Boy to Leadership."

Throughout his life, George exemplified values that all lawyers should hold. Most importantly, he believed that the law should be accessible and understandable to all people. Our firm is immensely proud to be associated with such a pioneer and honored that ALI chose to highlight his accomplishments as they look back on their 100 years of groundbreaking work.



### Sherrard, German & Kelly, P.C. included in the 2024 Edition of U.S. News – Best Lawyers® "Best Law Firms"

Sherrard, German & Kelly is pleased to once again be recognized in the 2024 edition of *U.S. News – Best Lawyers® "Best Law Firms"* as a Tier 1 firm in Pittsburgh for Business Organizations (including LLCs and Partnerships), Commercial Finance Law, Corporate Compliance Law, Corporate Governance Law, Litigation – Real Estate and Real Estate Law. SGK also achieved metropolitan Tier 2 and Tier 3 rankings.

The *U.S. News – Best Lawyers® "Best Law Firms"* rankings are based on a rigorous evaluation process that includes the collection of client and lawyer evaluations, peer review from leading attorneys, and review of additional information provided by law firms as part of the formal submission process.

SGK has been included in the following rankings:

- **Metropolitan Tier 1**
  - Pittsburgh
    - Business Organizations (including LLCs and Partnerships)
    - Commercial Finance Law
    - Corporate Compliance Law
    - Corporate Governance Law
    - Corporate Law
    - Litigation - Real Estate
    - Real Estate Law
- **Metropolitan Tier 2**
  - Pittsburgh
    - Banking and Finance Law
    - Bankruptcy and Creditor Debtor Rights / Insolvency and Reorganization Law
    - Financial Services Regulation Law
    - Litigation - Bankruptcy

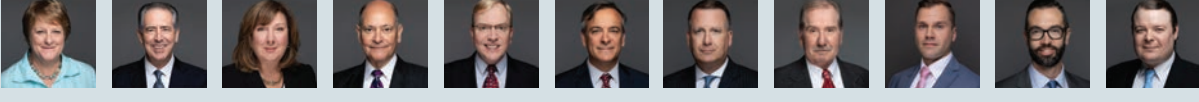
**Metropolitan Tier 3**

- Pittsburgh
  - Litigation - Labor & Employment

"We extend our gratitude to those that took the time to provide feedback during the evaluation process and we are very honored to again receive this award. This recognition serves as a testament to the unwavering commitment and dedication of our SGK team. We will carry this encouragement as we move into the next year and commit to continue to deliver the high caliber of quality services that our clients have come to expect," remarked Eric C. Springer, SGK's Managing Shareholder and Director – President.



Sherrard, German & Kelly, P.C. is proud to have eight lawyers listed in *The Best Lawyers in America®* with two of those receiving the "Lawyer of the Year" awards, and three lawyers recognized in the *Best Lawyers: Ones to Watch in America™* 2024 editions. David J. Lowe was recognized as the 2024 "Lawyer of the Year" in Pittsburgh for Corporate Law and Eric C. Springer was recognized as the 2024 "Lawyer of the Year" in Pittsburgh for Corporate Governance Law and Commercial Finance Law.



**Suzanne L. DeWalt**, Shareholder and Director, was recognized in Litigation – Labor and Employment.

**David J. Lowe**, Managing Shareholder and Director, was recognized in Corporate Law.

**Susan J. Messer**, Shareholder and Director, was recognized in Corporate Law.

**Gary Philip Nelson**, Of Counsel, was recognized in Bankruptcy and Creditor Debtor Rights/Insolvency and Reorganization Law, Financial Services Regulation Law, and Litigation – Bankruptcy.

**W. Chad Pociernicki**, Shareholder and Director, was recognized in Trusts and Estates.

**Nicholas J. Seitanakis**, Shareholder and Director, was recognized in Corporate Law.

**Eric C. Springer**, Managing Shareholder and Director – President, was recognized in Corporate Governance Law, Commercial Finance Law, Banking and Finance Law, and Financial Services Regulation Law.

**Kenneth J. Yarsky**, Shareholder and Director, was recognized in Litigation – Real Estate and Real Estate Law.

**Nathaniel J. Boring**, Senior Associate, was included in the 2024 edition of the *Best Lawyers: Ones to Watch®* in America for his work in Municipal Law.

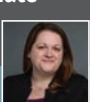
**Jeremy C. Brown**, Shareholder and Director, was included in the 2024 edition of the *Best Lawyers: Ones to Watch®* in America for his work in Corporate Law.

**P Bowman Root IV**, Shareholder, was included in the 2024 edition of the *Best Lawyers: Ones to Watch®* in America for his work in Tax Law and Trusts and Estates.

### INSIDE SGK

#### Ashley R. Bozewski Promoted to Senior Associate

Sherrard, German & Kelly, P.C. is pleased to announce that **Ashley R. Bozewski** has been promoted to Senior Associate. Ms. Bozewski is a member of the firm's Estates and Trusts practice area. Ms. Bozewski's practice includes drafting estate plans of varying complexity, counseling clients through the estate and trust administration process, and guiding families through long-term and skilled care planning and admissions. She also counsels clients in incapacity and guardianship matters, special needs planning, and business succession planning.



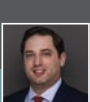
#### Matthew A. Ryan Promoted to Senior Associate

Sherrard, German & Kelly, P.C. is pleased to announce that **Matthew A. Ryan** has been promoted to Senior Associate. Mr. Ryan is a member of the firm's Corporate Services and Energy and Natural Resources practice groups. Mr. Ryan's practice includes assisting clients with all types of corporate matters and commercial transactions. He also has extensive experience assisting clients with the preparation of drilling and division order title opinions.



#### SGK Welcomes Conlan Lynch to the Firm

SGK would like to welcome **Conlan Lynch** to the firm. Mr. Lynch is an Associate with the firm and a member of the firm's Corporate, Estates and Trusts practice areas. His practice includes counseling incorporated and unincorporated entities on various matters including entity formation, mergers, acquisitions, dispositions, liquidations and reorganizations, with a focus on tax issues. Mr. Lynch's estates and trusts practice includes estate and trust planning and administration and related tax and business issues.

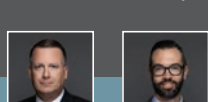


#### SGK Represents Armada in Recent Transactions

Sherrard, German & Kelly, P.C. is proud to announce that it represented Armada Supply Chain Solutions ("Armada") and its affiliates in connection with the closing of its recent \$325,000,000 financing transaction with PNC Bank, as Administrative Agent, with PNC Capital Markets LLC, Wells Fargo Bank and Bank of America as joint lead arrangers and joint book runners, along with CIBC and First National Bank. SGK also worked with Armada on its recent acquisition of ATEC Systems (headquartered in Longwood, FL). SGK was involved in the acquisition financing for the transaction. The SGK team involved in the transactions included Eric C. Springer, Jeremy C. Brown and corporate paralegal Jackie E. Horwat.



Armada Supply Chain Solutions is a Pittsburgh-based company with operations throughout the country. Armada creates innovative, fully integrated supply chain solutions to improve business performance for its customers in the retail food industry as well as other industries. It is a leader in supply chain planning, warehouse solutions, transportation solutions, as well as inventory management, engineering services and technology solutions. Armada's customers include some of the most recognized brands and companies in the world.



#### Pittsburgh Post-Gazette Names Sherrard, German & Kelly, P.C. a Winner of the Pittsburgh Top Workplaces 2023 Award



Sherrard, German & Kelly, P.C. is proud to be awarded a Top Workplaces 2023 honor by the Pittsburgh Post-Gazette®. The list is based on employee feedback collected anonymously, through a third-party survey. The survey presents multiple questions to measure over 10 characteristics related to the culture and the success of an organization.

"It is an honor for our company to win this award for the fourth year running. This award represents the strong foundation our employees have worked together to create. Receiving this recognition also demonstrates that the initiatives we have taken over the last year have helped to support and encourage our team. Our SGK community continues to dedicate their effort to our clients and each other resulting in continued growth and achievements. David Lowe, Matt Jarrell and I are very proud to be a part of the leadership for this organization," said Eric C. Springer, SGK's Managing Shareholder and Director – President.



Happy Holidays from All of Us at SGK

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