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Here's the Tax Beat broadcast for July 22

Subject Line: The Catcher in the Write-Off

Seventy-five years ago last week — July 16, 1951 — a slim novel with a carousel horse on the cover slipped into American bookstores and quietly rearranged the culture. J.D. Salinger's *The Catcher in the Rye* has since sold north of 65 million copies, including the one you read in high school. It still moves about a million a year, which means somewhere right now a shocked sixteen-year-old is discovering adults are phonies.

That's Holden Caulfield's whole deal, if you really want to know. Booted from Pencey Prep, loose in Manhattan for a weekend, hating the movies, hating the phonies, fretting where the ducks in Central Park go once the lagoon freezes over. Even money, to Holden, mostly just leaves you low — "it always ends up making you blue as hell." Which, honestly, isn't bad financial advice.

Here's the part that kills me, though. Salinger spent fifty years as America's most famous recluse, holed up in Cornish, New Hampshire, refusing to sell movie rights, refusing to cash in, refusing to become the phony he spent 277 pages skewering. And then, in a final plot twist old Holden couldn't have scripted, he died on January 27, 2010.

If you're a tax nerd, that date should stop your heart. 2010 was the one year — the first time in 94 years — that the federal estate tax simply didn't exist. Congress let it lapse. Die on December 31, 2009, and your estate paid 45% on everything above $3.5 million. Hang on a few hours more, and the number was zero. George Steinbrenner pulled it off. So did old Salinger.

And Salinger's estate, estimated at $20 million or more, was juicy. His literary trust, including ongoing rights to *Catcher*, was exactly the hard-to-value asset the IRS loves to price sky-high, arguing it's worth whatever full commercial exploitation a bunch of government phonies could wring out of it. Translation: they'd have valued it on the assumption Salinger finally did the one thing he refused to do his entire life. Instead, he threaded a needle nobody could plan for and passed it estate-tax-free.

Don't get too jealous. 2010 came with a catch — no estate tax, but no automatic step-up in basis either, just a limited $1.3 million bump for the heirs. And by December, Congress bolted the tax back on ($5 million exemption, 35% rate) with an election letting 2010 estates pick their poison. The whole thing was, in a word Holden would've liked, crumby.

Here's what I really mean, though. The phonies in my line of work will sell you the fantasy that you can time all this — die in the right year, catch the right loophole, thread the same needle old Salinger did. You can't.

Nobody schedules their exit for a no-estate-tax window. What you can schedule is the planning: the trusts, the gifting, the life insurance that funds the bill so your family keeps the asset instead of handing it to Uncle Sam. In 2026 the exemption sits historically high. But it doesn't sit still, and the whole where-were-you-born, what-happens-next routine tends to show up faster than anybody's ready for.

Holden only ever wanted one job. He pictured a field of rye up on a cliff, thousands of kids running through it, and himself standing at the edge — catching each one before they went over. That's the whole title, right there. It's also, if you strip away the poetry, a tax planner’s entire job description.

We can't promise you'll check out in a year Congress forgot to tax, the way old Salinger did — nobody's that good, and frankly it's a lousy plan. But stand us at the edge of your cliff, and we'll gladly play catcher in the rye, so the only phony left in your financial life is the tax bill we help you leave behind.

Kevin