

Estate Tax Worksheet—Will your estate owe Oregon estate tax? Only if you have more than \$2 million (\$1 million for singles)

ASSETS (fair market value)		DEDUCTIONS	
Real estate		Bequests to surviving spouse	
Stock & bonds		Mortgage debt	
Cash, checking and savings accounts		Personal debt - credit cards, vehicles, household	
Life insurance, unless held outside of the estate		Medical bills	
Retirement accounts		Final household bills	
Business ownership interests		Charitable gifts	
Money owed to the estate		Funeral expenses	
Vested stock options		Attorney, accountant and appraisal fees	
Artwork, jewelry and collectibles		Executor/trustee fees	
Furnishings and other personal property			
Anything else of significant value			
Total Assets (add above amounts)		Total Deductions (add all the above amounts)	
Taxable Estate: Subtract the Total Deductions from the Total Assets			
Total Assets			
Total Deductions	-		
Taxable Estate			

If the taxable estate is less than \$1 million, no Oregon Estate Tax will be due.

If the taxable estate is more than \$1 million, use the tax table & example on the reverse side to calculate the tax due.

Elimination of tax on farm, forest or fishing (f/f/f) assets:

If the estate is valued at \$15 million or less, the f/f/f assets are more than 50% of the estate, and the business is operated by a family member for 5 years before and after the date of death, no taxes will be due on up to \$7.5 million in f/f/f assets. Farm and forest homes and up to \$1 million in “working capital” can be included as f/f/f assets. Few “natural resource” families own estate tax on their natural resource assets, as a couple can pass on \$15 million tax free.

Tax Table - Oregon Estate Tax*				
	1	2	3	4
Row #	Adjusted taxable estate equal to or more than	Adjusted taxable estate less than	Tax on amount in column 1	Rate of tax on excess over amount in column 1
1	\$1,000,000	\$1,500,000	\$0	10.00%
2	\$1,500,000	\$2,500,000	\$50,000	10.25%
3	\$2,500,000	\$3,500,000	\$152,500	10.50%
4	\$3,500,000	\$4,500,000	\$257,500	11.00%
5	\$4,500,000	\$5,500,000	\$367,500	11.50%
6	\$5,500,000	\$6,500,000	\$482,500	12.00%
7	\$6,500,000	\$7,500,000	\$602,500	13.00%
8	\$7,500,000	\$8,500,000	\$732,500	14.00%
9	\$8,500,000	\$9,500,000	\$872,500	15.00%
10	\$9,500,000		\$1,022,500	16.00%



Examples

If the taxable estate is \$1,700,000

Since the taxable estate is at least \$1,500,000 but less than \$2,500,000, use row #2 above.

$\$1,700,000$ less $\$1,500,000 = \$200,000 \times 10.25\% = \$20,500$ plus $\$50,000 = \$70,500$ total tax.

$\$1,700,000 - \$70,500 = \$1,629,500$.

Estate pays tax of \$70,500. Heirs receive \$1,629,500.

If the taxable estate is \$1,700,000 with farm and/or forest assets valued at \$1,000,000

No tax is due on the farm/forest portion of the estate. $\$1,000,000$ divided by $\$1,700,000 = 58.88\%$

The farm or forest business assets are 58.88% of the estate.

Start with calculation in the above example with \$70,500 in tax due on \$1,700,000. The \$70,500 tax is reduced by 58.88%.

$\$70,500 \times 58.88\% = \$41,510$. $\$70,500 - 41,510 =$ tax due of $\$28,990$.

$\$1,700,000 - \$28,990 = \$1,671,010$.

Estate pays tax of \$28,990. Heirs receive \$1,671,010.

*We chose this example size because the value of half the estates that pay Oregon estate tax is under \$1.5 million and half is over \$1.5 million.

Source: Legislative Revenue Office, Research Report #1-12 Oregon 2012 Public Finance Basic Facts www.leg.state.or.us/comm/lro/2012_publications_reports/Basic_Facts_2012.pdf

Taxpayers should consult council for advice specific to their own situation.