



Estate Tax

The Estate Tax is a tax on your right to transfer property at your death. It consists of an accounting of everything you own or have certain interests in at the date of death ([Refer to Form 706](#) [PDF](#)). The fair market value of these items is used, not necessarily what you paid for them or what their values were when you acquired them. The total of all of these items is your "Gross Estate." The includible property may consist of cash and securities, real estate, insurance, trusts, annuities, business interests and other assets.

Once you have accounted for the Gross Estate, certain deductions (and in special circumstances, reductions to value) are allowed in arriving at your "Taxable Estate." These deductions may include mortgages and other debts, estate administration expenses, property that passes to surviving spouses and qualified charities. The value of some operating business interests or farms may be reduced for estates that qualify.

After the net amount is computed, the value of lifetime taxable gifts (beginning with gifts made in 1977) is added to this number and the tax is computed. The tax is then reduced by the available unified credit.

Most relatively simple estates (cash, publicly traded securities, small amounts of other easily valued assets, and no special deductions or elections, or jointly held property) do not require the filing of an estate tax return. A filing is required if the gross estate of the decedent, increased by the decedent's adjusted taxable gifts and specific gift tax exemption, is valued at more than the filing threshold for the year of the decedent's death, as shown in the table below.

Filing Threshold for Year of Death

Year of Death	If Amount Described Above Exceeds:
2011	\$5,000,000

Related Topics

- Estate and Gift Taxes
- Estate Tax
- Frequently asked questions on estate taxes
- Information for Executors
- Gift tax
- Frequently Asked Questions on Gift Taxes
- Filing estate and gift tax returns
- Transcripts in lieu of estate tax closing letters
- Frequently asked questions on the Estate Tax Closing Letter
- Penalties
- What's New - Estate and Gift Tax

Year of Death	If Amount Described Above Exceeds:
2012	\$5,120,000
2013	\$5,250,000
2014	\$5,340,000
2015	\$5,430,000
2016	\$5,450,000
2017	\$5,490,000
2018	\$11,180,000
2019	\$11,400,000
2020	\$11,580,000
2021	\$11,700,000
2022	\$12,060,000
2023	\$12,920,000
2024	\$13,610,000

Beginning January 1, 2011, estates of decedents survived by a spouse may elect to pass any of the decedent's unused exemption to the surviving spouse. This election is made on a timely filed estate tax return for the decedent with a surviving spouse. Note that simplified valuation provisions apply for those estates without a filing requirement absent the portability election.

For additional information, refer to [Instructions for Form 706](#).

Related International Topics

- Estate Tax for Nonresidents not Citizens of the United States
- Frequently asked questions on estate taxes for nonresidents not citizens of the United States
- Transfer Certificate Filing Requirements for the Estates of Nonresidents not Citizens of the United States
- Transfer certificate filing requirements for the estates of nonresident citizens of the United States
- Gift Tax for Nonresidents not Citizens of the United States
- Estate & gift tax treaties (International)

Publications

- Forms and publications: Estate

and gift tax

- About Publication 559, Survivors, Executors and Administrators

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