



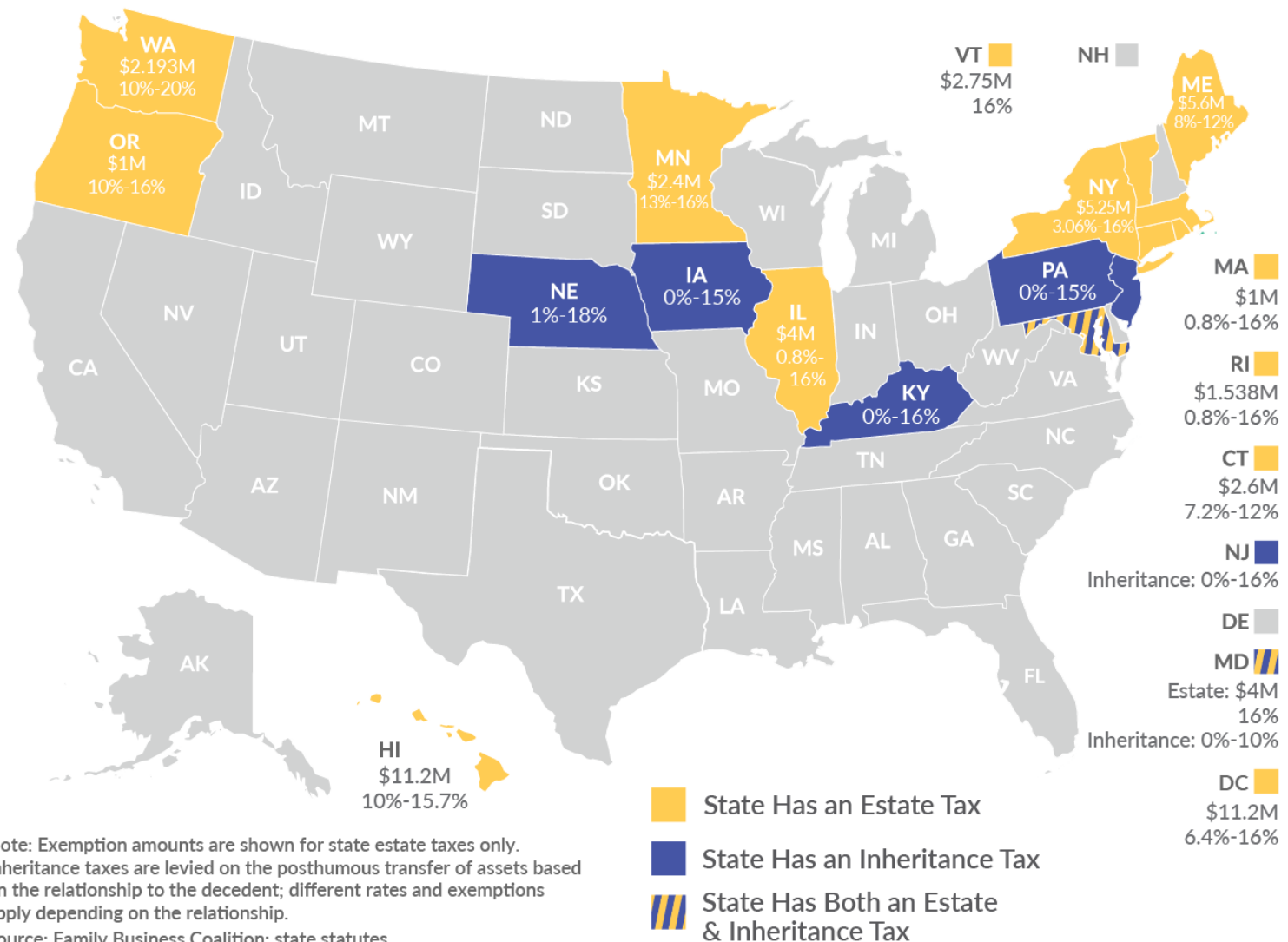
# Estate Taxes

IN OREGON

Where  
do we  
fit in ?

## Does Your State Have An Estate or Inheritance Tax?

State Estate & Inheritance Tax Rates & Exemptions in 2018





# Implications of the estate tax

- ▶ 100% tax – (if combined with an effective complimentary gift tax) returns unused wealth, upon death to state. Next generation starts from scratch.
- ▶ 0% tax – allows 100% of the wealth to remain within family or other beneficiaries.

# Oregon's tax rate table

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
Taxable estate equal to or more than:	Taxable estate less than:	Tax on amount in column 1:	Tax rate on taxable estate amount more than the amount in column 1 (percent):
\$ 1,000,000	\$ 1,500,000	\$ 0	10.0%
1,500,000	2,500,000	50,000	10.25%
2,500,000	3,500,000	152,500	10.5%
3,500,000	4,500,000	257,500	11.0%
4,500,000	5,500,000	367,500	11.5%
5,500,000	6,500,000	482,500	12.0%
6,500,000	7,500,000	602,500	13.0%
7,500,000	8,500,000	732,500	14.0%
8,500,000	9,500,000	872,500	15.0%
9,500,000		1,022,500	16.0%



# Estate Tax exemptions

- ▶ Marital deduction
- ▶ Debt, Mortgage
- ▶ Funeral deduction
- ▶ Charitable, Bequests
- ▶ Natural Resource Credit

# Estate Tax exemptions - NRC

## Chapter 15 – Estate Transfer Tax

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### **15.001 NATURAL RESOURCE AND FISHING PROPERTY**

**Oregon Statute:** 118.140

**Sunset Date:** None

**Year Enacted:** 2007







Total	
2017-19 Revenue Impact:	\$13,800,000
2019-21 Revenue Impact:	\$12,900,000



# Natural resource Credit

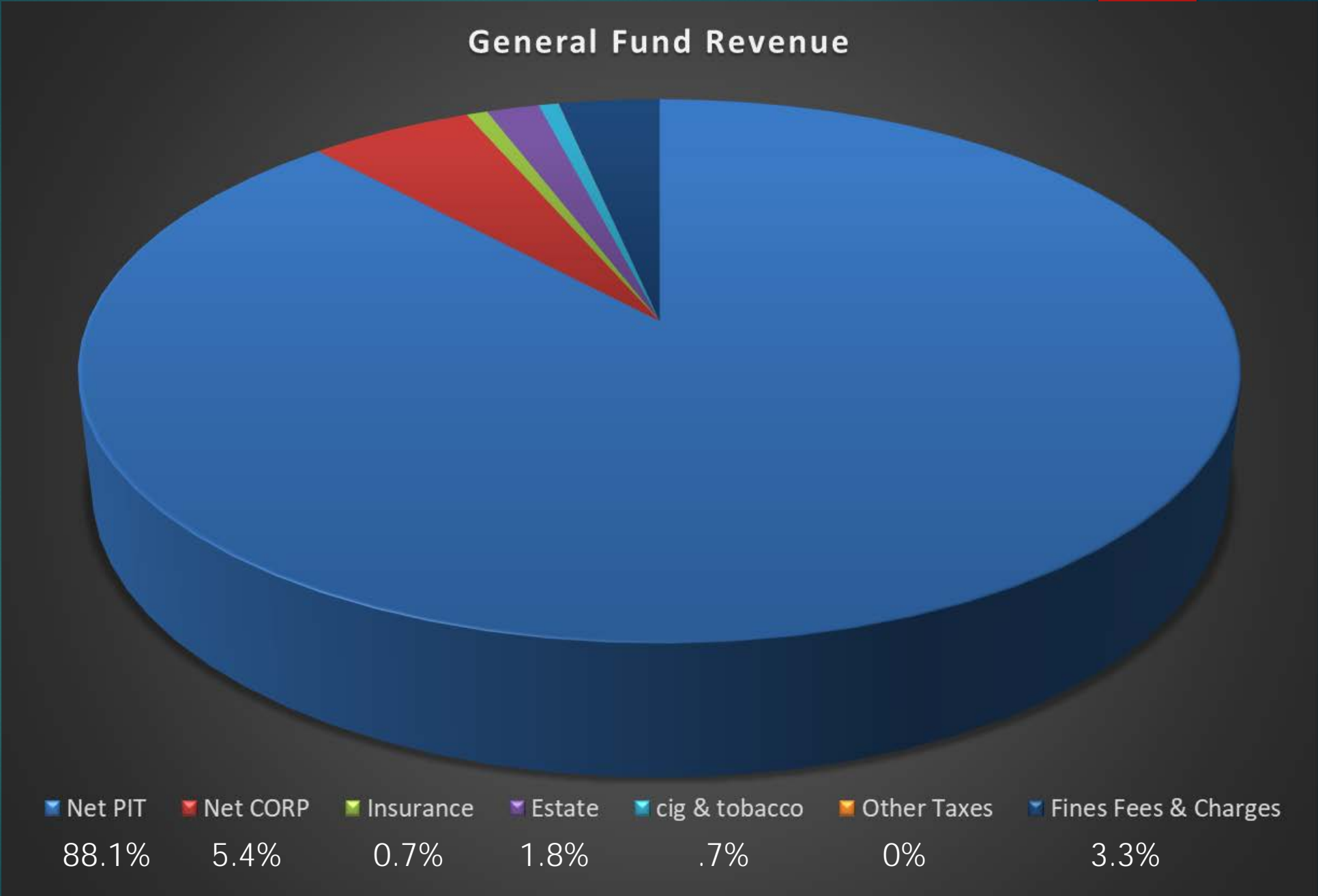
Estate / Inheritance Tax Returns, Tax Years 2007-2017				
			Returns Claiming NRC	Natural Resource Credit (NRC)
Tax year	Returns	Payable Tax	Credit	Claimed
2007 *	1,355	118,705,672	42	2,494,644
2008	1,292	75,950,100	31	1,676,046
2009	1,144	84,133,558	31	1,816,780
2010	1,296	80,556,556	23	1,605,202
2011	1,322	93,331,726	27	3,288,147
2012	1,385	94,219,000	25	4,321,000
2013	1,599	106,597,000	32	3,657,000
2014	1,563	113,024,000	31	3,317,000
2015	1,776	157,579,000	51	5,655,000
2016	1,857	175,417,421	44	6,078,918
2017	1,791	192,597,186	45	5,401,442
*2007 total includes the Natural Resource Exclusion which was replaced by the NRC in 2008 but was applied retroactively				

# Estate Tax summary

Payable Tax by OR Estate Size - Tax year 2017				
Oregon Taxable Estate	Number of Estates	Payable Tax (i.e. tax owed, based on returns)		
Less than \$1 million	465	\$0	0%	
1m – 1.5m	673	\$10,535,645	5%	
1.5m – 2m	230	\$15,574,562	8%	
2m – 3.5m	254	\$37,145,136	19%	
3.5m – 5m	74	\$20,360,365	11%	
5m – 10m	70	\$36,309,775	19%	
More than \$10 million	25	\$72,671,703	38%	
Total	1,791	\$192,597,186	100%	
*Estates worth \$1 million or more are required to file, but may not owe any taxes, after considering deductions, credits and allowances.				



# Major sources of Revenue

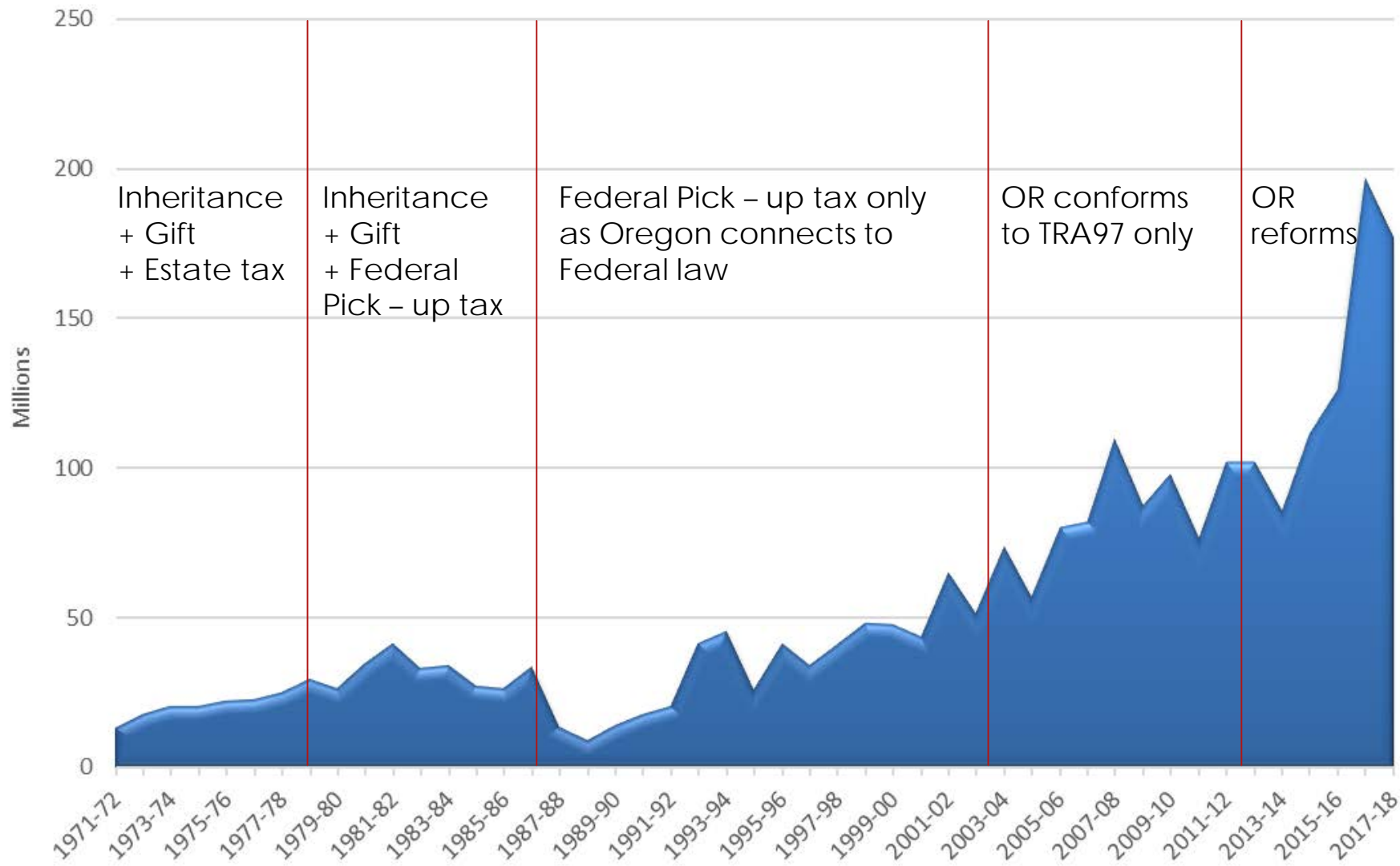


## Inheritance / Estate Tax Receipts as % of GF FYs 1972 - 2018





## Inheritance Tax Receipts by Fiscal Years



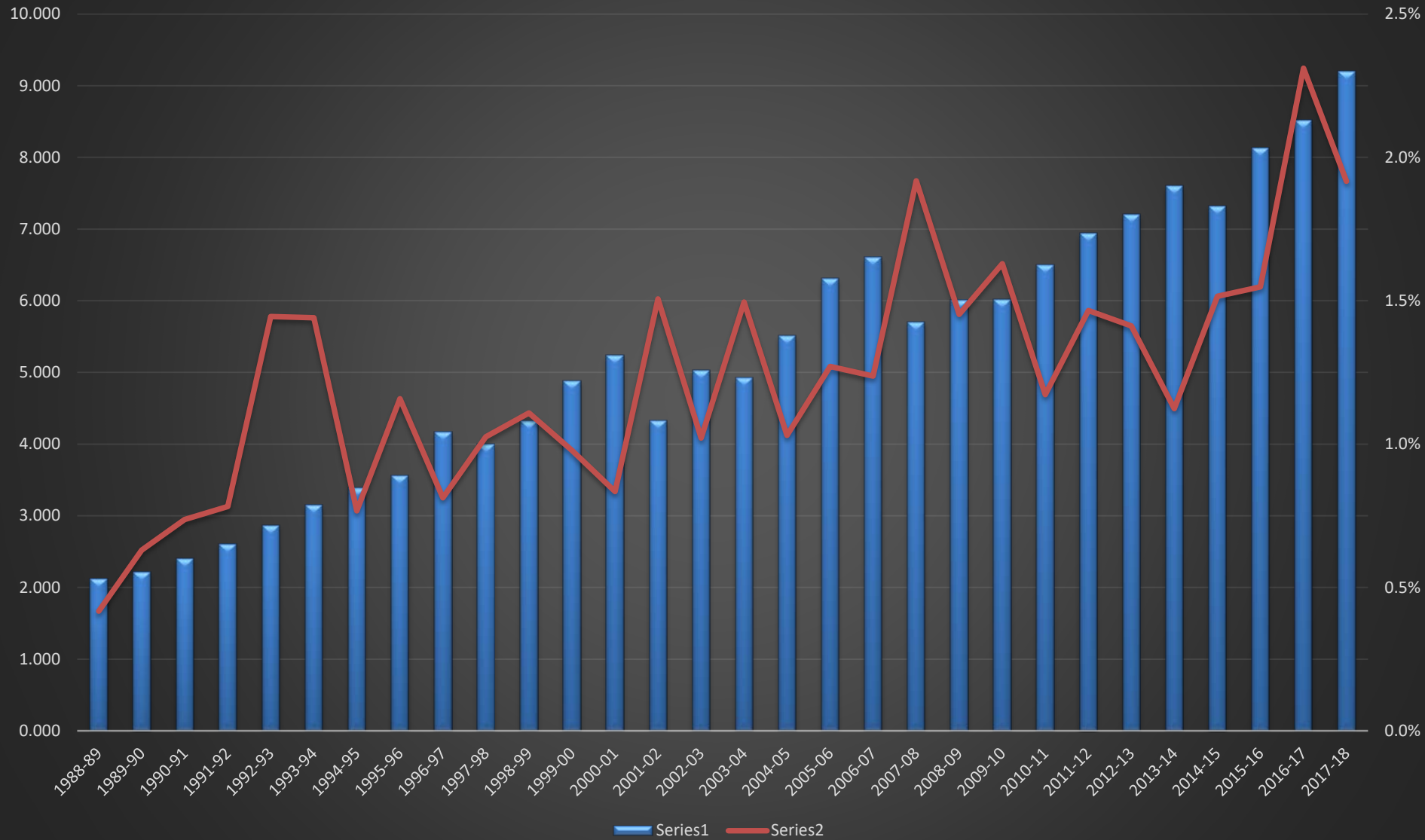
Oregon  
Estate  
Tax  
Revenue



The end

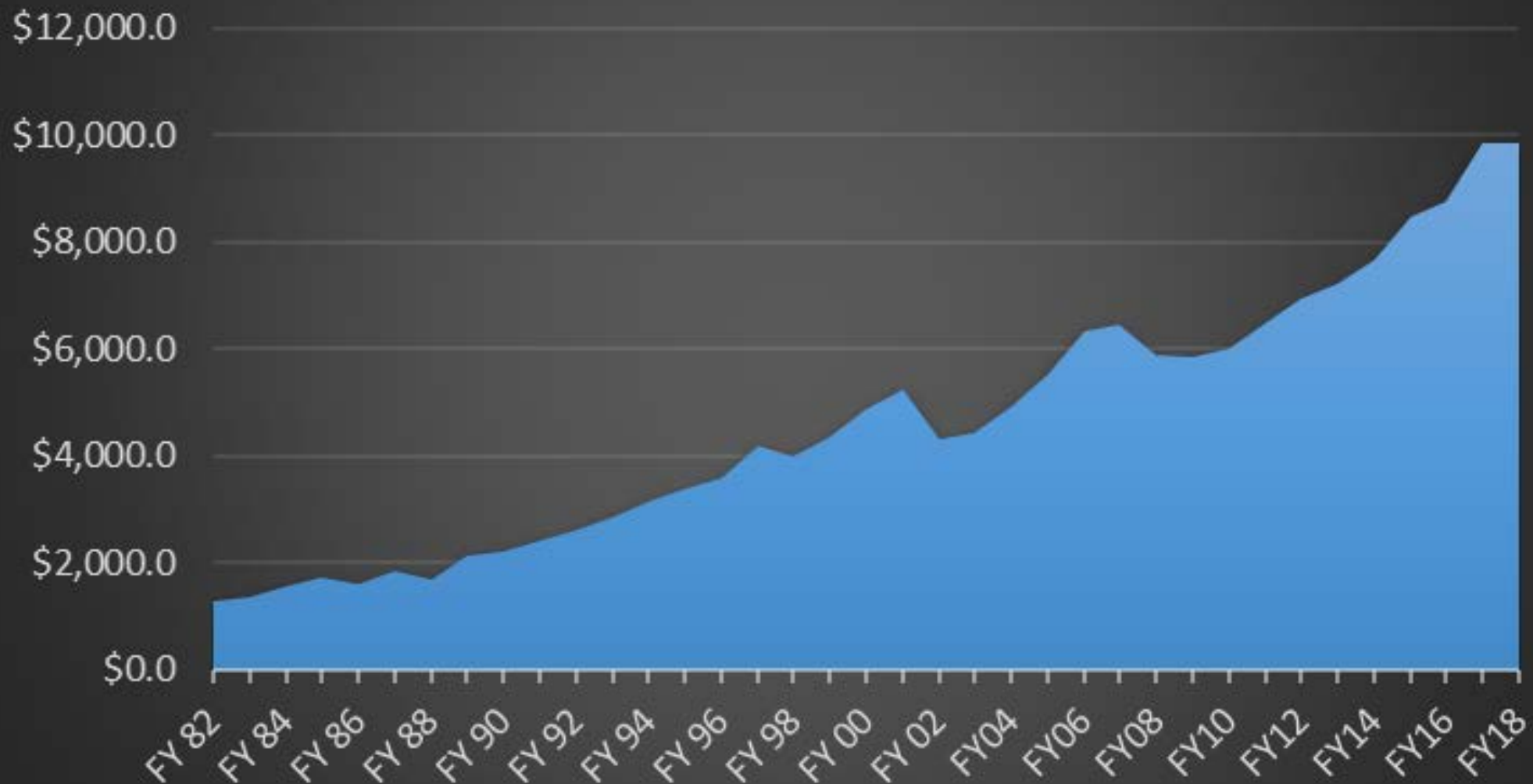


Estate Tax Revenue as % of GF (\$ billions)



Oregon  
Tax  
Revenue

## General Fund (millions of \$)





# Related taxes

- ▶ **Estate Tax** - tax imposed when the property transfer is caused by death and is levied on the value of property left by the deceased.
- ▶ **Inheritance Tax** - tax imposed after death, but levied on the amounts that each beneficiary receives. Contingent on recipient income and relationships to the deceased.
- ▶ **Gift Tax** - imposed on the transfer of property by one individual to another paid by the donor