

SB 1511-3

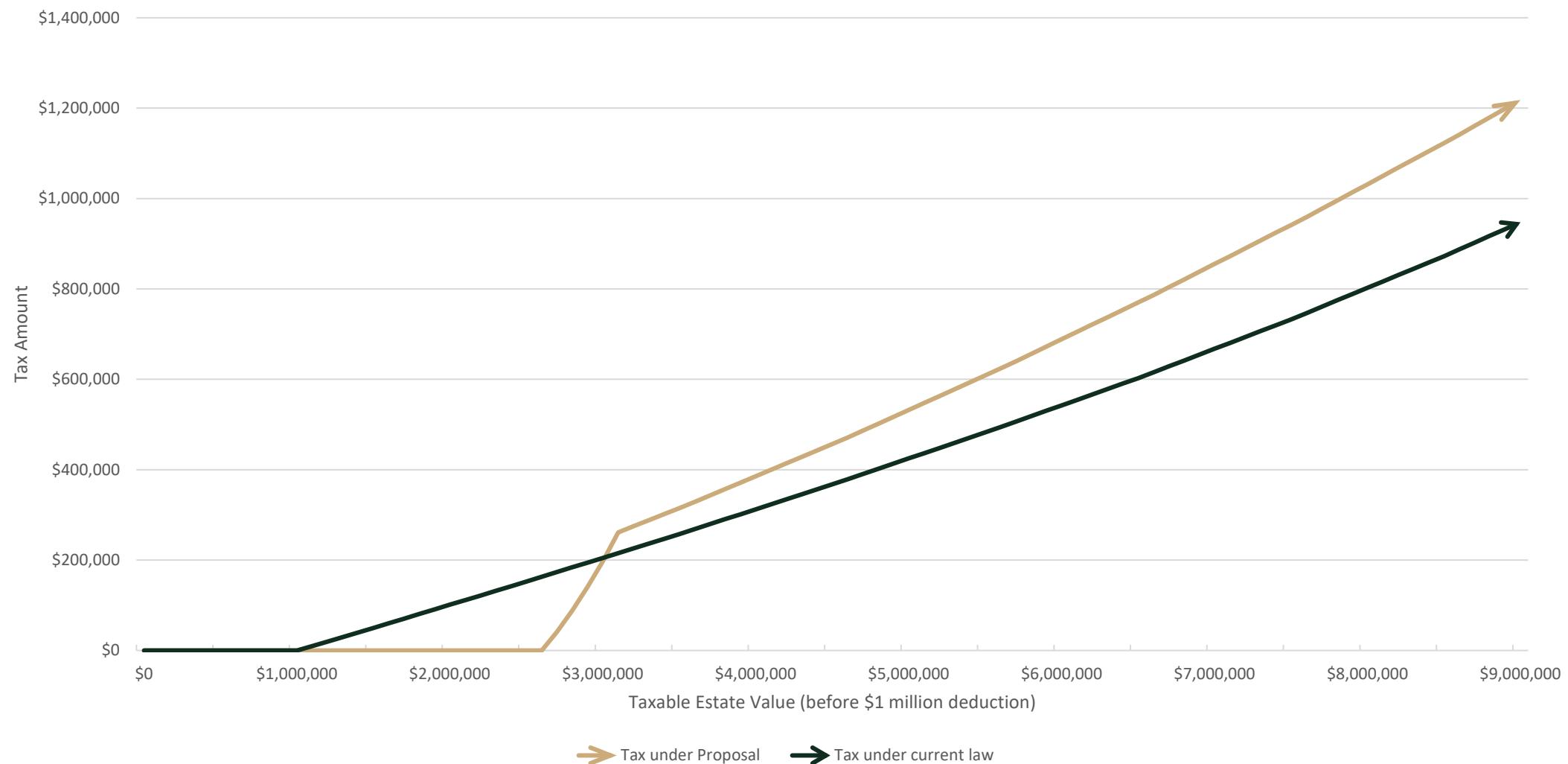
Estate Tax Amendment Summary

Senate Committee on Finance and Revenue

February 11, 2026



Estate Tax: 1511-3 compared to Current Law



SB 1511-3 Summary

- Estates less than \$2.5 million do not owe tax
- Estates at/over \$3 million = 100% tax from table
- Estates between \$2.5 million and \$3 million phase in tax from table
 - Tax is a percent of tax from table
 - \$2.5M = 0% of tax from table
 - \$2.6M = 20% of tax from table
 - ...
 - \$2.9M = 80% of tax from table
- Tax rates increased to make expected impact of policy minimal net revenue reduction in in fiscal year 2028
- \$2.5 million for start of tax phase-in is indexed to inflation starting in 2028 leading to revenue reductions in fiscal years 2029 and later

Phase-in tax from table starting at \$2.5 Million

Full tax from table starting at \$3.0 Million

Increase Rates to reduce revenue impact (starting 2027)

SB 1511-3 Proposal

Taxable Estate (After Exclusion)		Tax Rate	Increase from Current Law
- to	500,000	12.75%	2.75%
500,000 to	1,500,000	13.00%	2.75%
1,500,000 to	2,500,000	13.50%	3.00%
2,500,000 to	3,500,000	14.25%	3.25%
3,500,000 to	4,500,000	15.25%	3.75%
4,500,000 to	5,500,000	16.25%	4.25%
5,500,000 to	6,500,000	17.25%	4.25%
6,500,000 to	7,500,000	18.25%	4.25%
7,500,000 to	8,500,000	19.25%	4.25%
8,500,000 and above		19.90%	3.90%

SB 1511-3 Proposal

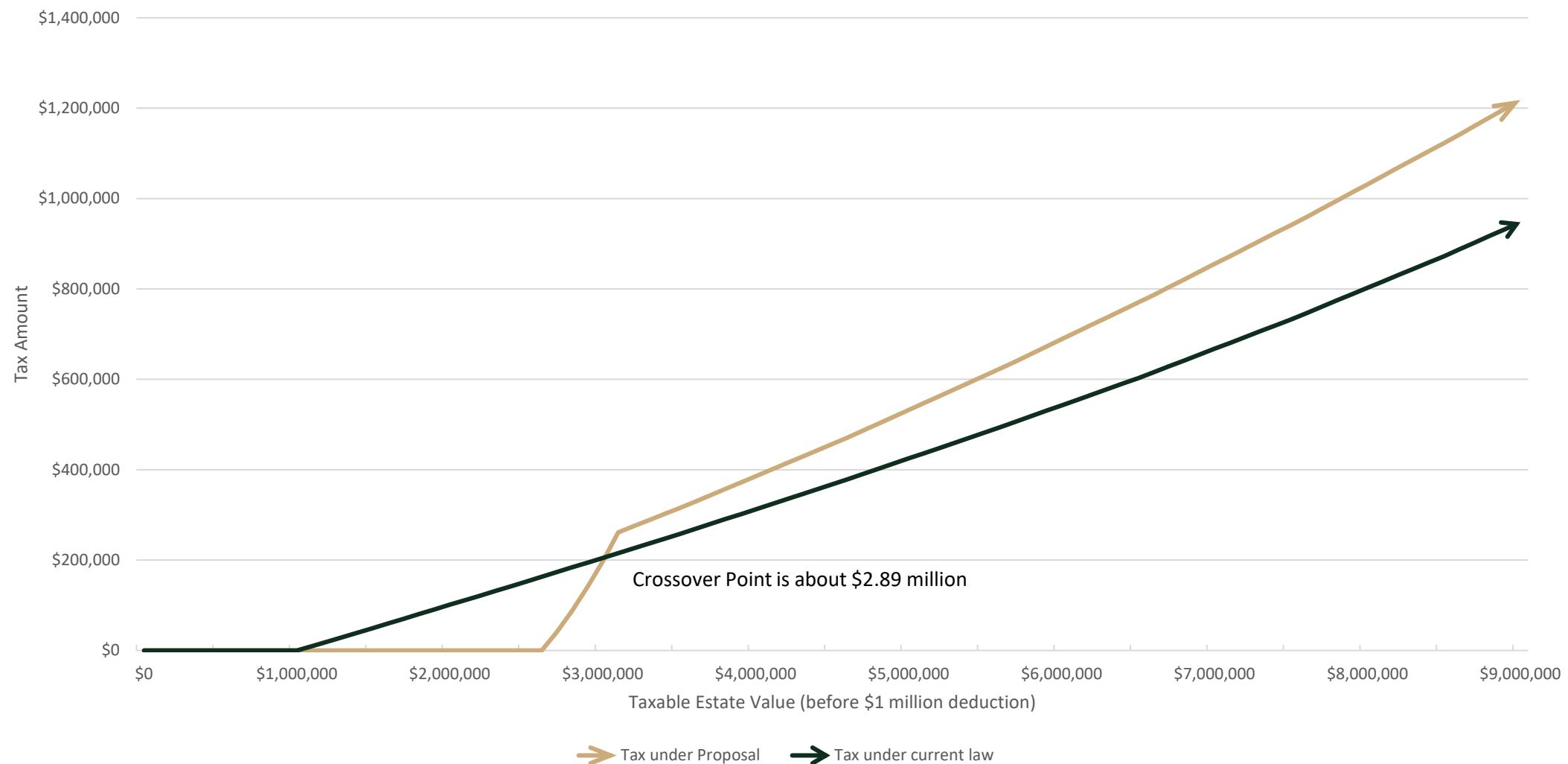
Total Taxable Estate	Taxable Estate After Exclusion	Tax	Difference
\$1,500,000	\$500,000	\$0	(\$50,000)
\$2,000,000	\$1,000,000	\$0	(\$101,250)
\$2,750,000	\$1,750,000	\$113,750	(\$65,000)
\$3,000,000	\$2,000,000	\$261,250	\$56,250
\$7,000,000	\$6,000,000	\$872,500	\$205,000
\$15,000,000	\$14,000,000	\$2,428,250	\$525,750

Phase-in at 50%
for \$2.75 Million

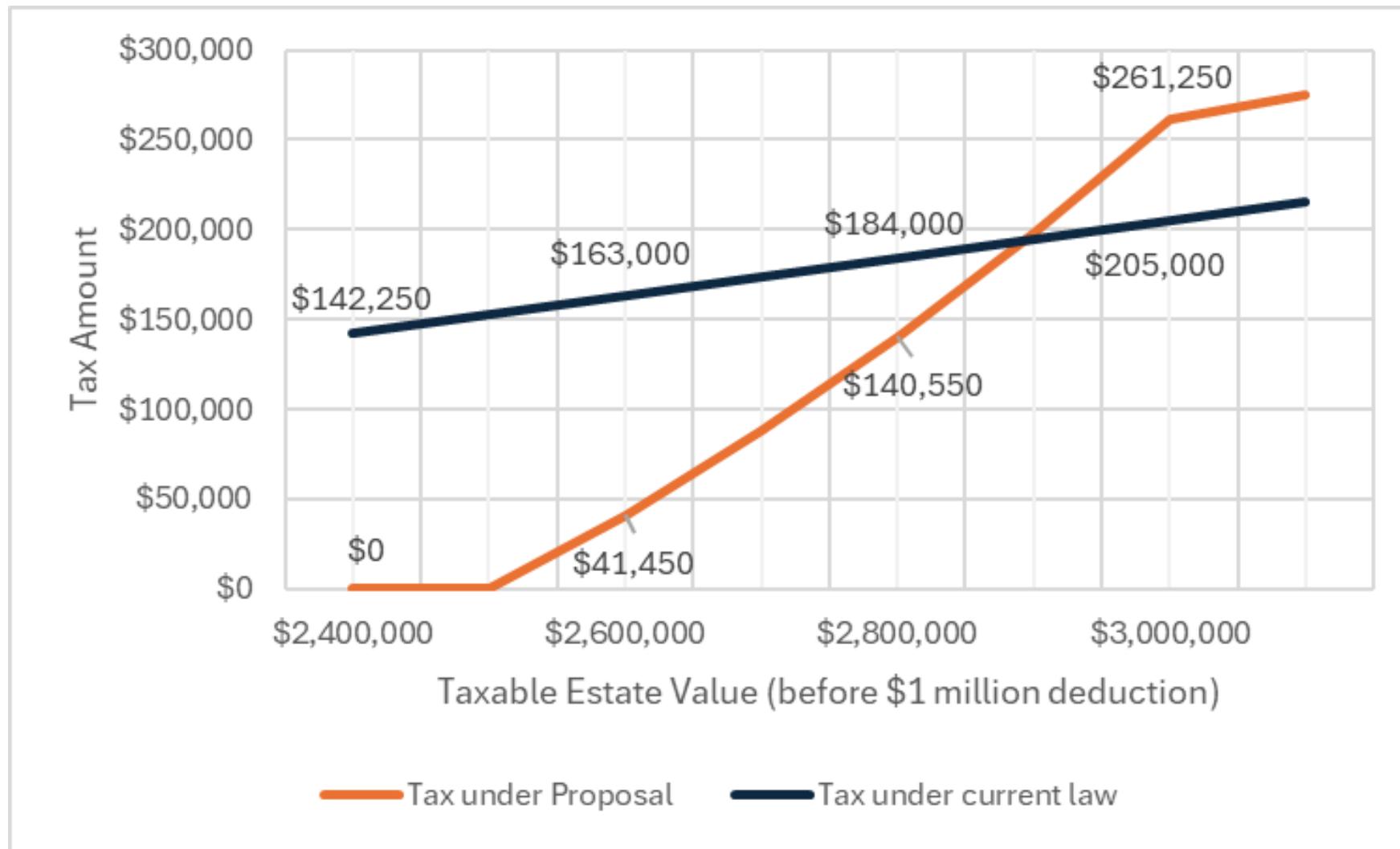
Current Law

Total Taxable Estate	Taxable Estate After Exclusion	Tax
\$1,500,000	\$500,000	\$50,000
\$2,000,000	\$1,000,000	\$101,250
\$2,750,000	\$1,750,000	\$178,750
\$3,000,000	\$2,000,000	\$205,000
\$7,000,000	\$6,000,000	\$667,500
\$15,000,000	\$14,000,000	\$1,902,500

Estate Tax: 1511-3 compared to Current Law



Estate Tax: 1511-3 Phase In Detail



Effects (based on 2023 Estate Tax Returns)

Reductions

- Eliminate filing requirement for estates under \$2.5 million gross value [Just over 2,000 Estates in 2023]
- Eliminate taxes for estates under \$2.5 million taxable value [About 1,400 Estates that paid tax in 2023]
- Reduce taxes for estates between \$2.5 million and \$2.89 million [About 110 Estates in 2023]
- Reductions total about 21% of tax liability in the first year
- Additional reduction from inflation adjustment.

Increases

- Increase tax for estates over \$2.89 million [About 460 Estates in 2023]
- Average Tax increase is about 27% for Estates that have an increase

Net Revenue Estimate (\$ millions)

2025-27	2027-29	2029-31
minimal loss	-3.2	-35.4

Thank You



Tax Year 2023

Oregon Estate Tax Returns

Taxable Estate	Number of Returns	% of Returns	Total Tax (\$ million)	% of Tax
a) Less than \$1 million	923	29.5%	\$0.0	0.0%
b) 1m-1.5m	1,003	32.0%	\$17.2	4.5%
c) 1.5m-2.5m	634	20.2%	\$54.0	14.0%
d) 2.5m-3.5m	244	7.8%	\$43.1	11.2%
e) 3.5m-4.5m	107	3.4%	\$29.3	7.6%
f) 4.5m-5.5m	70	2.2%	\$26.7	6.9%
g) 5.5m-6.5m	40	1.3%	\$16.3	4.2%
h) 6.5m-7.5m	13	0.4%	\$7.3	1.9%
i) 7.5m-9.5m	33	1.1%	\$22.7	5.9%
j) more than 9.5m	67	2.1%	\$167.9	43.7%
Total	3,134	100%	\$384.6	100%

Note that "% of Tax" column does not represent total reduction in tax if threshold were raised to that level for all estates. For instance, an increase in the threshold to \$1.5 million would have reduced taxes by an average of 23 percent between 2016 and 2022.

Estate Tax Forecast

Office of
Economic
Analysis

Most Recent Forecast (Q1 2026)
\$Millions

FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
441	503.3	547.4	595.4	648.9	708.8