

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
83rd Oregon Legislative Assembly  
2026 Regular Session  
Legislative Revenue Office

Bill Number: SB 1511 - 3  
Revenue Area: Estate Tax  
Economist: Jonathan Hart  
Date: 2/11/2026

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

**Measure Description:**

Converts existing \$1 million estate tax exemption threshold to a deduction from estate value before calculation of tax. Establishes a new tax table with increased tax rates. Requires a phase-in of estate tax liability, as calculated from the tax table, beginning at zero percent of the tax determined from the table at the \$2.5 million subject threshold and increasing to 100 percent for estate value exceeding the threshold by \$500,000. Specifies estates with gross value below \$2.5 million do not have to file a tax return starting in 2027. Adjusts \$2.5 million subject threshold and filing threshold for inflation beginning in 2028. Applies to deaths occurring on or after January 1, 2027. Takes effect 91 days after sine die.

**Revenue Impact (in \$Millions):**

	Fiscal Year			Biennium		
	2025-26	2026-27		2025-27	2027-29	2029-31
General Fund	\$0	\$0		\$0	-\$3.2	-\$35.4

**Impact Explanation:**

The net revenue impact of the increased tax rates, new and higher subject threshold, and addition of a phased-in tax structure is estimated to be a minimal for estates of decedents dying in 2027.

Beginning in 2028, the measure adds an annual inflation adjustment to the subject threshold at which the estate tax phase-in begins. As the subject threshold increases over time, fewer estates will be subject to the tax, and estates within the adjusted phase-in range will have reduced estate tax liability. These changes are anticipated to reduce estate tax collections beginning in fiscal year 2029.

**Creates, Extends, or Expands Tax Expenditure:** Yes ☐ No ☒