

# Federal Estate, Gift and GST Tax Rates & Exemptions

2010 EDITION

Calendar Year	Highest Estate Tax Rate	Estate Tax Exemption	GST Tax Rate	GST Exemption	Highest Gift Tax Rate	Gift Tax Exemption	Gift Tax Annual Exclusion	5% Surtax	State Death Tax Credit/Deduction	Carryover Basis
2001	55%	\$675,000	55%	\$1,060,000 <sup>1</sup>	55%	\$675,000	\$10,000 <sup>2</sup>	Yes	Full Credit	No
2002	50%	\$1,000,000	50%	\$1,100,000 <sup>1</sup>	50%	\$1,000,000	\$11,000 <sup>2</sup>	No	75% Credit	No
2003	49%	\$1,000,000	49%	\$1,120,000 <sup>1</sup>	49%	\$1,000,000	\$11,000 <sup>2</sup>	No	50% Credit	No
2004	48%	\$1,500,000	48%	\$1,500,000	48%	\$1,000,000	\$11,000 <sup>2</sup>	No	25% Credit	No
2005	47%	\$1,500,000	47%	\$1,500,000	47%	\$1,000,000	\$11,000 <sup>2</sup>	No	Full Deduction	No
2006	46%	\$2,000,000	46%	\$2,000,000	46%	\$1,000,000	\$12,000 <sup>2</sup>	No	Full Deduction	No
2007	45%	\$2,000,000	45%	\$2,000,000	45%	\$1,000,000	\$12,000 <sup>2</sup>	No	Full Deduction	No
2008	45%	\$2,000,000	45%	\$2,000,000	45%	\$1,000,000	\$12,000 <sup>2</sup>	No	Full Deduction	No
2009	45%	\$3,500,000	45%	\$3,500,000	45%	\$1,000,000	\$13,000 <sup>2</sup>	No	Full Deduction	No
2010	0%	N/A	0%	N/A <sup>6</sup>	35%	\$1,000,000	\$13,000 <sup>3</sup>	No	N/A	Yes <sup>7</sup>
2011 <sup>5</sup>	55%	\$1,000,000	55%	\$1,340,000 <sup>3</sup>	55%	\$1,000,000	\$13,000 <sup>3</sup>	Yes	Full Credit	No

## NOTES

1 Inflation adjustment applied to base amount of \$1,000,000.

2 Inflation adjustment applied to base amount of \$10,000.

3 Subject to further inflation adjustment.

4 In 2001, a 5% surtax was imposed on estates between \$10,000,000 and \$17,184,000. The latter figure was the first point at which the average estate tax rate (determined without regard to any credits) was 55%. A comparable surtax applied to cumulative gifts within that range.

5 Reflects sunset of H.R. 1836.

6 Beginning in 2011 if the H.R. 1836 sunset provision takes effect, the GST Exemption for 2010 will be \$1,340,000.

7 Basis increase of up to \$1.3 million; an additional basis increase up to \$3 million is allowed for assets passing to the surviving spouse or certain marital trusts.

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