

# Federal Estate, Gift and GST Tax Rates & Exemptions

2012 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 <sup>4</sup>	State Death Tax Credit/Deduction	Carryover Basis	Portability of Spouse's Unused Estate/Gift Exemption
2001	55%	\$675,000	55%	\$1,060,000 <sup>1</sup>	55%	\$675,000	\$10,000 <sup>2</sup>	Yes	Full Credit	No	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	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	No
2004	48%	\$1,500,000	48%	\$1,500,000	48%	\$1,000,000	\$11,000 <sup>2</sup>	No	25% Credit	No	No
2005	47%	\$1,500,000	47%	\$1,500,000	47%	\$1,000,000	\$11,000 <sup>2</sup>	No	Full Deduction	No	No
2006	46%	\$2,000,000	46%	\$2,000,000	46%	\$1,000,000	\$12,000 <sup>2</sup>	No	Full Deduction	No	No
2007	45%	\$2,000,000	45%	\$2,000,000	45%	\$1,000,000	\$12,000 <sup>2</sup>	No	Full Deduction	No	No
2008	45%	\$2,000,000	45%	\$2,000,000	45%	\$1,000,000	\$12,000 <sup>2</sup>	No	Full Deduction	No	No
2009	45%	\$3,500,000	45%	\$3,500,000	45%	\$1,000,000	\$13,000 <sup>2</sup>	No	Full Deduction	No	No
2010	35%	\$5,000,000	0%	\$5,000,000	35%	\$1,000,000	\$13,000 <sup>2</sup>	No	Full Deduction	No <sup>5</sup>	No
2011	35%	\$5,000,000	35%	\$5,000,000	35%	\$5,000,000	\$13,000 <sup>2</sup>	No	Full Deduction	No	Yes
2012	35%	\$5,120,000 <sup>8</sup>	35%	\$5,120,000 <sup>8</sup>	35%	\$5,120,000 <sup>8</sup>	\$13,000 <sup>2</sup>	No	Full Deduction	No	Yes
2013 <sup>7</sup>	55%	\$1,000,000	55%	\$1,390,000 <sup>6</sup>	55%	\$1,000,000	\$13,000 <sup>3</sup>	Yes	Full Credit	No	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. Executor may elect for the estate tax and step-up in basis rules not to apply to a 2010 decedent; this election results in the application of the modified carryover basis rules to the estate.
6. Beginning 2013 if the sunset provisions of EGTRRA take effect, the GST Exemption for 2013 will be \$1,390,000 subject to further inflation adjustment
7. Reflects sunset under Section 901 of EGTRRA.
8. Inflation adjustment applied to base amount of \$5,000,000.

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