

## **ESTATE AND GIFT TAX RATES AND EXEMPTION AMOUNTS 1975-2011**

Executors of estates of decedents who die during 2010 generally may elect to have the 2010 estate tax and basis rules apply as if the estate tax provisions of the 2010 Act had never been enacted. If such election is made: (1) no estate tax applies; (2) the generation skipping transfer tax remains in effect with a \$5,000,000 exemption and a zero percent rate; (3) the gift tax exemption and rate would be \$1,000,000 and 35 percent; and (4) basis of assets acquired from the decedent would take a modified carry-over basis..

The 2010 Act provides for a \$500,000 threshold for the highest statutory rate of 35 percent. The 35-percent rate applies only to 2010 transfers that exceed a taxpayer's estate or gift tax exemptions. The 35-percent rate applies only to 2011 transfers that exceed a taxpayer's estate or gift tax exemptions.

<b>Year</b>	<b>Annual Gift Exclusion</b>	<b>Exemption Value of Unified Credit (Gift Exemption When Not Unified)</b>	<b>Threshold of Highest Statutory Tax Rate</b>	<b>Highest Statutory Tax Rate (Percent)</b>
1975-1976	\$3,000	\$60,000 (\$30,000)	\$10,000,000	57.75 Gift: 77 Estate
1977	\$3,000	\$120,667	\$5,000,000	70
1978	\$3,000	\$134,000	\$5,000,000	70
1979	\$3,000	\$147,333	\$5,000,000	70
1980	\$3,000	\$161,563	\$5,000,000	70
1981	\$10,000	\$175,625	\$5,000,000	70
1982	\$10,000	\$225,000	\$4,000,000	65
1983	\$10,000	\$275,000	\$3,500,000	60
1984	\$10,000	\$325,000	\$3,000,000	55
1985	\$10,000	\$400,000	\$3,000,000	55
1986	\$10,000	\$500,000	\$3,000,000	55
1987-1997	\$10,000	\$600,000	\$3,000,000	55
1998	\$10,000	\$625,000	\$3,000,000	55
1999	\$10,000	\$650,000	\$3,000,000	55

2000-2001	\$10,000	\$675,000	\$3,000,000	55
2002	\$11,000	\$1,000,000	\$2,500,000	50
2003	\$11,000	\$1,000,000	\$2,000,000	49
2004	\$11,000	\$1,500,000 (\$1,000,000)	\$2,000,000	48
2005	\$11,000	\$1,500,000 (\$1,000,000)	\$2,000,000	47
2006	\$12,000	\$2,000,000 (\$1,000,000)	\$2,000,000	46
2007-2008	\$12,000	\$2,000,000 (\$1,000,000)	\$1,500,000	45
2009	\$13,000	\$3,500,000 (\$1,000,000)	\$1,500,000	45
2010	\$13,000	\$5,000,000 (\$1,000,000)	\$500,000,	35
2011	\$13,000	\$5,000,000	\$500,000	35