



# Oregon Estate Tax

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The estate tax rate in Oregon ranges from 10% to 16% and applies to estates above \$1 million. If you are estate planning in Oregon and your estate is worth more than \$1 million, you'll have to consider the impact of the tax on your estate. If you think you might be subject to the estate tax, you may want to consider enlisting the help of a financial advisor. SmartAsset's [financial advisor matching tool](#) can help you find one in your area who meets your specific needs.



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The Oregon [estate tax](#) threshold is \$1 million. Any estate exceeding that amount that is taxable, but the first \$1 million is still not taxed.

## Oregon Estate Tax Rate

The estate tax rate for Oregon is graduated. It starts at 10% and goes up to 16%. The taxable estate is the value of the estate above the \$1 million exemption.

Here's how to figure out what your estate will be paying: First, figure out what your taxable estate is. Next, find your taxable estate bracket in the chart below. The base taxes listed in the second column is what you owe on money that falls below your tax bracket. Then figure out by how much your estate exceeds the lower limit of your bracket and multiply that number by the marginal rate. Add that sum to your base taxes and that's how much you owe in estate taxes.

Here's an example: Let's say your total estate is worth \$5 million. If we subtract the \$1 million exemption, that leaves a taxable estate of \$4 million. The base tax for the bracket is \$367,500. The bottom of the threshold is \$3.5 million, so we subtract that from \$4 million and get \$500,000. That amount multiplied by the marginal rate of 11.5% is \$57,500. When we add that number (\$57,500) to the base tax (\$367,500), we get a total Oregon estate tax of \$425,000 owed on a \$5 million estate.

### OREGON ESTATE TAX RATES

Taxable Estate*	Base Taxes Paid	Marginal Rate	Rate Threshold**
\$0 – \$500,000	\$0	10%	\$0
\$500,000 – \$1.5 million	\$50,000	10.25%	\$500,000
\$1.5 million – \$2.5 million	\$152,500	10.5%	\$1.5 million
\$2.5 million – \$3.5 million	\$257,500	11%	\$2.5 million
\$3.5 million – \$4.5 million	\$367,500	11.5%	\$3.5 million
\$4.5 million – \$5.5 million	\$482,500	12%	\$4.5 million
\$5.5 million – \$6.5 million	\$602,500	13%	\$5.5 million



\$7.5 million – \$8.5 million	\$872,500	15%	\$7.5 million
\$8.5 million and up	\$1.0225 million	16%	\$8.5 million

\*The taxable estate is the amount above the exemption of \$1 million.

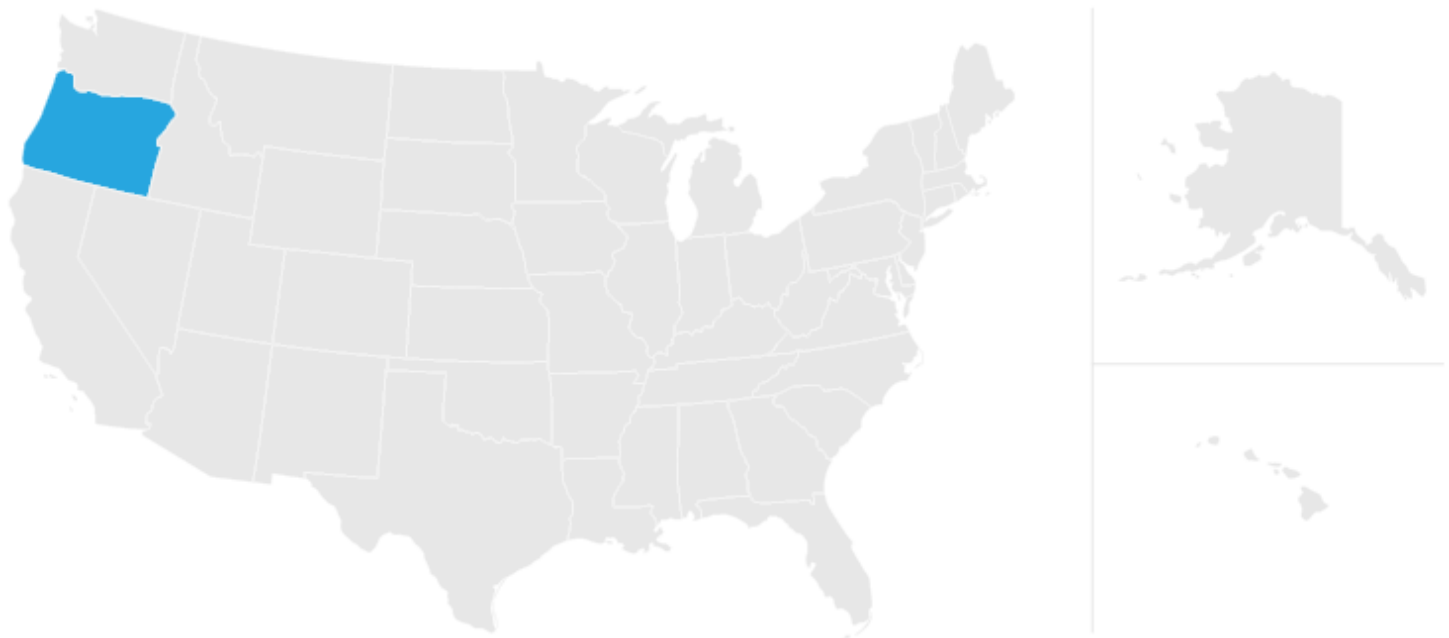
\*\*The rate threshold is the point at which the marginal estate tax rate goes into effect.

## What Is the Estate Tax?

Estate tax is a tax charged to the estates of the recently deceased. Governments that have an estate tax generally have an exemption that guarantees that only the estates of the relatively wealthy will end up actually paying the tax.

Estate tax is different from the inheritance tax. [Inheritance tax](#) is paid by a person's heirs after they've already received their money, whereas the estate tax is owed before the money is disbursed to heirs.

## Oregon Inheritance Tax



Oregon does not have an inheritance tax. The state's estate tax used to be called an inheritance tax, but was still an estate tax in practice.



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## Oregon Gift Tax

Oregon does not have a gift tax. The federal gift tax only applies to gifts over \$14,000 in 2017 and \$15,000 in 2018.

## Oregon Estate Tax for Married Couples

The estate tax is not applied when a surviving spouse is inheriting all of a person's wealth. When the second spouse dies, though, the estate is still only allowed to apply a \$1 million exemption for the purpose of the Oregon estate tax. The estate does not get to apply the \$1 million exemption for both partners.

## Federal Estate Tax

There is also a federal estate tax with an exemption of \$11.18 million. On the federal level, the estate tax exemption is portable between spouses. With the right legal steps both spouses' exemptions can apply to their estate, creating a total exemption of \$22.36 million.

For those estates that still exceed this amount, the tax rate tops out at 40%. The chart below has the full list of graduated tax rates.

You can follow the same process described above in the Oregon Estate Tax section and use the table below to figure out your federal estate tax burden.

### FEDERAL ESTATE TAX RATES

Taxable Estate*	Base Taxes Paid	Marginal Rate	Rate Threshold**
\$1 – \$10,000	\$0	18%	\$1



\$20,000 – \$40,000	\$3,800	22%	\$20,000
\$40,000 – \$60,000	\$8,200	24%	\$40,000
\$60,000 – \$80,000	\$13,000	26%	\$60,000
\$80,000 – \$100,000	\$18,200	28%	\$80,000
\$100,000 – \$150,000	\$23,800	30%	\$100,000
\$150,000 – \$250,000	\$38,800	32%	\$150,000
\$250,000 – \$500,000	\$70,800	34%	\$250,000
\$500,000 – \$750,000	\$155,800	37%	\$500,000
\$750,000 – \$1 million	\$248,300	39%	\$750,000
Over \$1 million	\$345,800	40%	\$1 million

\*The taxable estate is the total above the exemption of \$11.18 million.

\*\*The rate threshold is the point at which the marginal estate tax rate kicks in.

## Overall Oregon Tax Picture

Oregon is [moderately-tax friendly for retirees](#). The state doesn't tax Social Security, but retirement accounts are fully taxed. Pensions are partially taxed. [Income tax in Oregon](#) is progressive, with a top marginal tax rate of 9%. There is no state or local sales tax. The average [property tax rate in Oregon](#) is 1.07%, slightly below the national average.

You can use SmartAsset's [Oregon paycheck calculator](#) to help you calculate your take home pay in the Beaver State.

## Resources for Estate Planning Help

- If you have questions about estate planning or other financial planning issues, you might want to consider finding a financial advisor who can help you navigate these complex issues. SmartAsset's [SmartAdvisor platform](#) can pair you with an advisor in your area who fits your specific needs. Here's how it works: First you'll answer a short series of questions about your financial situation and goals and then the tool will match you with up to three advisors. The advisors will later contact you to see if you



want to work with them. All of the advisors on SmartAsset's platform are registered financial advisors. They have also all been fully vetted and are free of disclosures.

- Part of planning your estate is planning for how you'll live in your golden years. To make sure you understand what your finances will look like when you stop working, use this SmartAsset [retirement calculator](#).
- You never know when tragedy might strike and you'll need someone else to make decisions for you and your estate. You should consider drafting a [living will](#) to make sure everything will be taken care of the way you want it to be.

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