

The State of State Death Taxes – 2020

Under current law, the federal government will not tax an individual's estate if it is worth less than \$11,580,000 in 2020. However, estates worth far less may still be taxed on the state level.

- Twelve (12) states, plus Washington DC, currently have an estate tax
- Two (2) states (Hawaii and Maryland) offer portability (i.e. Deceased Spousal Unused Exemption)

State Estate Tax and Exemption Chart:

Applies to the taxable value of the decedent's total estate (bequests to spouses and charities are generally exempt).¹

State	2020 Exemption	State	2020 Exemption
Connecticut ²	\$5,100,000	Minnesota	\$3,000,000
District of Columbia	\$5,762,400	New York	\$5,850,000
Hawaii ³	\$5,490,000	Oregon	\$1,000,000
Illinois	\$4,000,000	Rhode Island	\$1,579,922
Maine	\$5,800,000	Vermont	\$4,250,000
Maryland ⁴	\$5,000,000	Washington	\$2,193,000
Massachusetts	\$1,000,000		

State Estate Tax Portability

The Deceased Spousal Unused Exclusion (DSUE) permits a surviving spouse to use the amount of the deceased spouse's unused federal estate tax exemption for transfers during lifetime or at death. In other words, the deceased spouse's remaining unused exclusion is "portable."

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¹ Six (6) states levy an inheritance tax: Iowa, Kentucky, Maryland, Nebraska, New Jersey and Pennsylvania.

² The Connecticut estate tax exemption is scheduled to increase as follows: to \$7,100,000 in 2021; \$9,100,000 in 2022 and equal to the federal exemption as of January 1, 2023.

³ Hawaii offers portability (i.e., Deceased Spousal Unused Exemption).

⁴ Maryland offers portability (i.e., Deceased Spousal Unused Exemption).

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