Estate & Inheritance Tax by State (2026)

Exemptions, top rates, and who pays, verified against state revenue departments in July 2026

The estate tax is paid by the estate before distribution; the inheritance tax is paid by the heir, based on their relationship to the deceased. Exemptions are per person for deaths in 2026. Full source links for every row: clearlegaltips.com/estate-tax-by-state/

Estate tax: federal + 12 states + DC

Jurisdiction	2026 exemption	Top rate	Indexed?
Federal	$15,000,000	40%	Yes (from 2027)
Connecticut	$15,000,000	12% flat	Follows federal
District of Columbia	$4,988,400	16%	Yes (CPI)
Hawaii	$5,490,000	20%	No (frozen)
Illinois	$4,000,000	16%	No
Maine	$7,160,000	12%	Yes
Maryland	$5,000,000	16%	No
Massachusetts	$2,000,000	16%	No
Minnesota	$3,000,000	16%	No
New York	$7,350,000	16%	Yes
Oregon	$1,000,000	16%	No
Rhode Island	$1,838,056	16%	Yes (CPI)
Vermont	$5,000,000	16% flat	No
Washington	$3,000,000 (Jul 1+)	20% (Jul 1+)	No

Inheritance tax: 5 states (2026)

State	Who pays	Rates
Kentucky	Only non-relatives (Class C); Class A and B exempt for 2026 deaths	6-16% after $500
Maryland	Non-exempt heirs (not spouse, descendants, ancestors, siblings)	10%
Nebraska	Most non-spouse heirs, by county	1% / 11% / 15%
New Jersey	Non-Class A heirs (spouse, children, parents exempt)	11-16%
Pennsylvania	All but spouse: lineal 4.5%, siblings 12%, others 15%	4.5% / 12% / 15%

Watch-outs the tables cannot show

- New York cliff: exceed about $7,717,500 (105% of the exemption) and the entire exemption disappears.
- Massachusetts computes tax on the WHOLE estate, then applies a $99,600 credit; the bill grows faster than in excess-only states.
- Washington split 2026: deaths Jan-Jun used a $3,076,000 exclusion and a 35% top rate; deaths from July 1 use $3,000,000 and 20%.
- Frozen exemptions (OR, IL, MA, MN, VT, HI) are stealth tax increases: inflation pulls more ordinary estates over the line yearly.
- Out-of-state property counts: a no-tax-state resident can owe estate tax on a vacation home in a taxing state.
- Iowa's inheritance tax is fully repealed for deaths on or after January 1, 2025.

INSTRUCTIONS FOR USE

Every figure was verified against the state revenue department, statute, or the IRS in July 2026. States adjust indexed figures annually; confirm the current amount before acting. The maintained tables, CSV dataset, and interactive estate tax calculator live at clearlegaltips.com/estate-tax-by-state/