

# 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/](https://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- Iowa's inheritance tax is fully repealed for deaths on or after January 1, 2025.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/](https://clearlegaltips.com/estate-tax-by-state/)