

U.S. Master™ Estate and Gift Tax Guide

2017–2018 KEY TRANSFER TAX FIGURES*

ANNUAL GIFT TAX EXCLUSIONS		
	2017	2018
Per Donee	\$14,000 ¹	\$15,000 ¹
Split Gifts by Spouses	\$28,000 ¹	\$30,000 ¹
Gift to Noncitizen Spouse	\$149,000 ¹	\$152,000 ¹

ESTATE & GIFT TAX APPLICABLE CREDIT AND BASIC EXCLUSION AMOUNTS		
	2017	2018
Applicable Credit	\$2,141,800 ¹	\$4,417,800 ¹
Applicable Exclusion	\$5,490,000 ¹	\$11,180,000 ¹

Note: The Tax Relief Act of 2010 added the concept of portability of a deceased spouse's unused exclusion amount, beginning in 2011. Accordingly, the term "applicable exclusion amount" is the sum of the "basic exclusion amount" and the "deceased spousal unused exclusion amount." The applicable credit amount shown is computed using the basic exclusion amount.

GENERATION-SKIPPING TRANSFER TAX EXEMPTION AND RATE		
	2017	2018
GST Exemption	\$5,490,000 ¹	\$11,180,000 ¹
Maximum Rate	40%	40%

SPECIAL USE VALUATION		
	2017	2018
Maximum Reduction in Value of Special Use Property	\$1,120,000 ¹	\$1,140,000 ¹

INTEREST ON ESTATE TAX INSTALLMENT PAYMENTS		
	2017	2018
Taxable Value for Application of Two-Percent Rate	\$1,490,000 ¹	\$1,520,000 ¹
Estate Tax Amount Eligible for Two-Percent Rate	\$596,000 ¹	\$608,000 ¹

GIFTS FROM FOREIGN PERSON		
	2017	2018
Reporting Threshold for Gifts from Foreign Person	\$15,797 ¹	\$16,076 ¹

* Reflects Tax Cuts and Jobs Act (P.L. 115-97) and Rev. Proc. 2018-18

¹ Indexed for inflation.



UNIFIED RATE SCHEDULE — DECEDENTS DYING AND GIFTS MADE AFTER 2012

Column A	Column B	Column C	Column D
Taxable amount over	Taxable amount not over	Tax on amount in Column A	Rate of tax on excess over amount in Column A
\$0	\$10,000	\$0	18%
\$10,000	\$20,000	\$1,800	20%
\$20,000	\$40,000	\$3,800	22%
\$40,000	\$60,000	\$8,200	24%
\$60,000	\$80,000	\$13,000	26%
\$80,000	\$100,000	\$18,200	28%
\$100,000	\$150,000	\$23,800	30%
\$150,000	\$250,000	\$38,800	32%
\$250,000	\$500,000	\$70,800	34%
\$500,000	\$750,000	\$155,800	37%
\$750,000	\$1,000,000	\$248,300	39%
\$1,000,000	\$345,800	40%

CREDIT FOR ESTATE TAX ON PRIOR TRANSFERS

If the transferor predeceased the decedent by a period exceeding ²	But not exceeding	Percent allowable
0 years	2 years	100
2 years	4 years	80
4 years	6 years	60
6 years	8 years	40
8 years	10 years	20
10 or more years		0

² A credit of 100% is also allowed for transfers to a decedent within two years after the decedent's death.