

The History of Federal Estate and Gift Taxes 1916 through 2013

Year	Estate-Tax Exemption	Lifetime Gift-Tax Exemption	Annual Gift-Tax Exclusion	Maximum Estate-Tax Rate	Maximum Gift-Tax Rate
1916	\$50,000	None	None	10%	0%
1917 - 1923	\$60,000	None	None	25%	0%
1924 - 1925	\$50,000	\$50,000	\$500	40%	25%
1926 - 1931	\$100,000	None	None	20%	0%
1932 - 1933	\$50,000	\$50,000	\$5,000	45%	34%
1934	\$50,000	\$50,000	\$5,000	60%	45%
1935 - 1937	\$40,000	\$40,000	\$5,000	70%	53%
1938 - 1940	\$40,000	\$40,000	\$4,000	70%	53%
1941	\$40,000	\$40,000	\$4,000	77%	58%
1942 - 1976	\$60,000	\$30,000	\$3,000	77%	58%
1977	\$120,000	\$120,000	\$3,000	70%	70%
1978	\$134,000	\$134,000	\$3,000	70%	70%
1979	\$147,000	\$147,000	\$3,000	70%	70%
1980	\$161,000	\$161,000	\$3,000	70%	70%
1981	\$175,000	\$175,000	\$3,000	70%	70%
1982	\$225,000	\$225,000	\$10,000	65%	65%
1983	\$275,000	\$275,000	\$10,000	60%	60%
1984	\$325,000	\$325,000	\$10,000	55%	55%
1985	\$400,000	\$400,000	\$10,000	55%	55%
1986	\$500,000	\$500,000	\$10,000	55%	55%
1987 - 1997	\$600,000	\$600,000	\$10,000	55%	55%
1998	\$625,000	\$625,000	\$10,000	55%	55%
1999	\$650,000	\$650,000	\$10,000	55%	55%
2000 - 2001	\$675,000	\$675,000	\$10,000	55%	55%
2002	\$1,000,000	\$1,000,000	\$11,000	50%	50%
2003	\$1,000,000	\$1,000,000	\$11,000	49%	49%
2004	\$1,500,000	\$1,000,000	\$11,000	48%	48%
2005	\$1,500,000	\$1,000,000	\$11,000	47%	47%
2006	\$2,000,000	\$1,000,000	\$12,000	46%	46%
2007 - 2008	\$2,000,000	\$1,000,000	\$12,000	45%	45%
2009	\$3,500,000	\$1,000,000	\$13,000	45%	45%
2010 *	None	\$1,000,000	\$13,000	0%	35%
2011	\$5,000,000	\$5,000,000	\$13,000	35%	35%
2012	\$5,000,000	\$5,000,000	TBD	35%	35%

*The increased estate and GST exemptions to \$5 million and the 35% rate are effective January 1, 2010 (making them the default option for 2010, i.e. in a sense, retroactive to the beginning of 2010). An election is allowed to choose no estate tax and modified carryover basis for estates of decedents dying on or after January 1, 2010 and before January 1, 2011.