

**Table T06-0220**  
**H.R.5970 As Passed by The House, Estate Tax and Extension of Tax Relief Act of 2006**  
**Fully Phased In Impact Evaluated at 2011 Wealth Levels, Assuming Extension of 15 Percent Capital Gains Rate**  
**Distribution of Gross Estate and Net Estate Tax By Size of Gross Estate, 2011<sup>1</sup>**  
**Farms and Businesses Under \$5 Million<sup>2</sup>**

| Size of Gross Estate (millions of current dollars) | Returns |                  | Gross Estate        |                        |                  | Net Estate Tax      |                        |                  | Average Tax Rate <sup>3</sup> |
|--|---------|------------------|---------------------|------------------------|------------------|---------------------|------------------------|------------------|-------------------------------|
|  | Number  | Percent of Total | Amount (\$Millions) | Average (\$ thousands) | Percent of Total | Amount (\$Millions) | Average (\$ thousands) | Percent of Total |                               |
| <b>ALL RETURNS</b>                                 |         |                  |                     |                        |                  |                     |                        |                  |                               |
| Less than 1.0                                      | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | 0.0              | 0.0                           |
| 1.0 - 2.0  | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | 0.0              | 0.0                           |
| 2.0 - 3.5  | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | 0.0              | 0.0                           |
| 3.5 - 5.0  | 30      | 14.3             | 165                 | 5,489                  | 13.1             | 0                   | 9                      | 17.8             | 0.2                           |
| 5.0 - 10.0   | 180     | 85.7             | 1,094               | 6,075                  | 86.9             | 1                   | 7                      | 82.2             | 0.1                           |
| 10.0 - 20.0  | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | 0.0              | 0.0                           |
| More than 20.0                                     | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | 0.0              | 0.0                           |
| All  | 210     | 100.0            | 1,258               | 5,992                  | 100.0            | 2                   | 7                      | 100.0            | 0.1                           |
| <b>TAXABLE RETURNS</b>                             |         |                  |                     |                        |                  |                     |                        |                  |                               |
| Less than 1.0                                      | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | 0.0              | 0.0                           |
| 1.0 - 2.0  | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | 0.0              | 0.0                           |
| 2.0 - 3.5  | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | 0.0              | 0.0                           |
| 3.5 - 5.0  | *       | 0.0              | 20                  | **                     | 18.8             | 0                   | **                     | 17.8             | **                            |
| 5.0 - 10.0   | 10      | 50.0             | 87                  | 8,690                  | 81.2             | 1                   | 124                    | 82.2             | 1.4                           |
| 10.0 - 20.0  | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | 0.0              | 0.0                           |
| More than 20.0                                     | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | 0.0              | 0.0                           |
| All  | 20      | 100.0            | 107                 | 5,351                  | 100.0            | 2                   | 75                     | 100.0            | 1.4                           |
| <b>NON-TAXABLE RETURNS</b>                         |         |                  |                     |                        |                  |                     |                        |                  |                               |
| Less than 1.0                                      | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | n/a              | 0.0                           |
| 1.0 - 2.0  | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | n/a              | 0.0                           |
| 2.0 - 3.5  | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | n/a              | 0.0                           |
| 3.5 - 5.0  | 30      | 15.0             | 145                 | 4,819                  | 12.6             | 0                   | 0                      | n/a              | 0.0                           |
| 5.0 - 10.0   | 170     | 85.0             | 1,007               | 5,922                  | 87.4             | 0                   | 0                      | n/a              | 0.0                           |
| 10.0 - 20.0  | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | n/a              | 0.0                           |
| More than 20.0                                     | 0       | 0.0              | 0                   | 0                      | 0.0              | 0                   | 0                      | n/a              | 0.0                           |
| All  | 200     | 100.0            | 1,151               | 5,756                  | 100.0            | 0                   | 0                      | n/a              | 0.0                           |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0305-3A). \* Fewer than 5. \*\* Insufficient data.

(1) Calendar year. Numbers of returns have been rounded to the nearest multiple of ten. Provisions include: \$5 million effective exemption (deflated to 2011 dollars); statutory estate tax rate of 15 percent on taxable estate up to \$25 million (deflated to 2011 dollars) and 30 percent on taxable estate greater than \$25 million (deflated to 2011 dollars); repeal the state death tax credit and do not allow a deduction for state estate taxes paid; repeal the 5-percent surtax.

(2) Estate tax returns where farm and business assets represent at least half of gross estate and these assets total no more than \$5 million.

(3) Average net estate tax liability as a percentage of average gross estate.

Note: See T05-0121 for current law baseline: <http://www.taxpolicycenter.org/TaxModel/tmdb/TMTemplate.cfm?Docid=866>.