

Table T09-0431
Estate Tax Returns and Liability Under Current Law and Various Reform Proposals, 2009-2019¹

	Calendar Year										2009-19 Total	
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		2019
Current Law²												
Number of Returns (thousands)	14.9	0.0	108.2	114.4	117.1	123.2	133.0	144.9	156.1	166.0	176.7	
Number of Taxable Returns (thousands)	5.5	0.0	44.2	49.9	53.4	55.9	60.2	66.3	69.2	75.5	83.7	
Estate Tax Liability (\$billions)	13.8	0.0	34.4	35.4	37.6	40.2	43.8	47.6	52.1	56.9	62.2	424.0
Make 2009 Law Permanent, Obama Proposal³												
\$3.5M Exemption (Not indexed), 45% Rate												
Number of Returns (thousands)	14.9	15.0	16.2	16.7	17.2	18.6	20.4	22.4	24.5	27.6	30.2	
Number of Taxable Returns (thousands)	5.5	5.5	6.4	6.7	7.0	7.2	7.8	9.0	10.1	11.3	12.9	
Estate Tax Liability (\$billions)	13.8	14.8	18.1	18.0	19.7	20.9	22.5	24.4	26.9	29.0	31.5	239.5
Make 2009 Law Permanent With Indexation⁴												
\$3.5M Exemption (Indexed), 45% Rate												
Number of Returns (thousands)	14.9	14.8	15.9	16.0	16.5	17.1	18.1	19.0	20.7	21.9	23.5	
Number of Taxable Returns (thousands)	5.5	5.5	6.2	6.4	6.4	6.8	7.0	7.5	7.8	8.6	9.0	
Estate Tax Liability (\$billions)	13.8	14.8	17.9	17.7	19.2	20.3	21.7	23.3	25.3	27.0	28.9	229.8
Lincoln-Kyl Amendment⁵												
\$5M Exemption (Indexed), 35% Rate												
Number of Returns (thousands)	14.9	8.0	9.1	9.3	9.7	10.0	10.6	11.3	11.9	12.6	13.3	
Number of Taxable Returns (thousands)	5.5	3.0	3.5	3.4	3.5	3.5	3.6	3.9	4.1	4.4	5.0	
Estate Tax Liability (\$billions)	13.8	9.1	11.2	11.0	12.1	12.7	13.5	14.5	15.8	16.8	17.9	148.4
H.R. 3905 (Berkley Bill)⁶												
Number of Returns (thousands)	14.9	14.1	14.5	14.3	14.1	14.1	14.4	15.1	15.5	15.9	16.3	
Number of Taxable Returns (thousands)	5.5	5.2	5.7	5.4	5.3	5.5	5.7	5.9	6.1	6.2	6.5	
Estate Tax Liability (\$billions)	13.8	14.2	16.9	16.1	16.9	17.3	17.8	18.5	19.6	20.2	20.9	192.4
ADDENDUM												
Projected Number of Deaths (thousands)	2,537	2,561	2,586	2,611	2,636	2,662	2,688	2,715	2,743	2,772	2,802	

Sources: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-3), Table 1. Projections of the Population and Components of Change for the United States: 2010 to 2050 (NP2008-T1) from Population Division, U.S. Census Bureau, and TPC calculations.

(1) Calendar year. Change in estate tax liability from the current law baseline does not include any behavioral response.

(2) Under current law, 2009 exemption is \$3.5 million with a rate of 45 percent. The estate tax is repealed in 2010. Beginning in 2011, the exemption is \$1 million with a top rate of 55 percent, and the credit for state-level estate taxes is restored.

(3) Proposal maintains exemption of \$3.5 million and rate of 45 percent. The deduction for state-level wealth transfer taxes paid is extended.

(4) Proposal maintains exemption of \$3.5 million, indexes it for inflation after 2009, and maintains rate of 45 percent. The deduction for state-level wealth transfer taxes paid is extended.

(5) Proposal raises exemption to \$5 million, indexed for inflation after 2010, and lowers rate to 35 percent. The deduction for state-level wealth transfer taxes paid is extended. Proposal is effective 01/01/10.

(6) Proposal phases in an exemption of \$5 million, indexed for inflation after 2019, and phases in a lower rate of 35 percent by 2019. Proposal also phases out the deduction for state-level wealth transfer taxes by 2019.