

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
83rd Oregon Legislative Assembly
2026 Regular Session
Legislative Revenue Office

Bill Number: SB 1511 - 3
Revenue Area: Estate Tax
Economist: Jonathan Hart
Date: 2/17/2026

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Measure Description:

Converts existing \$1 million estate tax exemption threshold to a deduction from estate value before calculation of tax. Establishes a new tax table with increased tax rates. Requires a phase-in of estate tax liability, as calculated from the tax table, beginning at zero percent of the tax determined from the table at the \$2.5 million subject threshold and increasing to 100 percent for estate value exceeding the threshold by \$500,000. Specifies estates with gross value below \$2.5 million do not have to file a tax return starting in 2027. Adjusts \$2.5 million subject threshold and filing threshold for inflation beginning in 2028. Applies to deaths occurring on or after January 1, 2027. Takes effect 91 days after sine die.

Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2025-26	2026-27	2025-27	2027-29	2029-31
General Fund	\$0	\$0	\$0	-\$3.2	-\$35.4

Impact Explanation:

The net revenue impact of the increased tax rates, new and higher subject threshold, and addition of a phased-in tax structure is estimated to be a minimal for estates of decedents dying in 2027.

Beginning in 2028, the measure adds an annual inflation adjustment to the subject threshold at which the estate tax phase-in begins. As the subject threshold increases over time, fewer estates will be subject to the tax, and estates within the adjusted phase-in range will have reduced estate tax liability. These changes are anticipated to reduce estate tax collections beginning in fiscal year 2029.

Creates, Extends, or Expands Tax Expenditure: Yes ☐ No ☒