

NJ is #1! On "The Worst Places to Die" List

February 22, 2011 by Deirdre Wheatley-Liss

SmartMoney just published "Estate Taxes: The Worst Places to Die" and New Jersey takes the number one spot.

16 states and Washington DC have an estate tax separate from the federal estate tax (which has a current exemption amount of \$5 million per person for deaths in 2011-2012). The article specifies that these exemptions range from \$338,333 for Ohio residents to \$5 million for Hawaii and North Carolina residents:

* Three states have exemptions of less than \$1 million (Ohio at \$338,333; New Jersey at \$675,000; and Rhode Island at \$850,000).

* Six states have \$1 million exemptions (Maine, Maryland, Massachusetts, Minnesota, New York, and Oregon), and so does D.C.

* Three states have \$2 million exemptions (Illinois, Vermont, and Washington)

* Two states have \$3.5 million exemptions (Connecticut and Delaware).

* Two states have \$5 million exemptions (Hawaii and North Carolina).

The lowest tax rates are 7% (Ohio) and 12% (Connecticut). The highest is 19% (Washington). The other 13 states and D.C. all charge 16%.

6 states have an Inheritance Tax (a tax on specific assets passing to specific people), as follows:

The inheritance tax exemptions are zero or negligible--except in Tennessee which has a \$1 million exemption.

The tax rates are 9.5% in Tennessee, 15% in Iowa and Pennsylvania, 16% in Kentucky, 18% in Nebraska, and 20% in Indiana.

2 states have an Estate Tax and an Inheritance Tax - Maryland, and ... you guessed it, New Jersey.





Fein, Such, Kahn & Shepard, P.C.

C O U N S E L L O R S A T L A W

For anyone who lives or had property in the 22 States with estate or inheritance tax, the government may share in your wealth when you die. You should become educated about what your state's transfer tax scheme is, as well as what planning might be done to minimize its impact.

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