

SENATE BILL REPORT

ESB 6347

As Amended by House, March 11, 2026

Title: An act relating to undoing certain changes to the estate tax.

Brief Description: Undoing certain changes to the estate tax.

Sponsors: Senators Kauffman, Slatter, Dhingra and Liias.

Brief History:

Committee Activity: Ways & Means: 2/06/26, 2/09/26 [DP, DNP, w/oRec].

Floor Activity: Passed Senate: 2/16/26, 38-11.

Passed House: 3/11/26, 85-8.

Brief Summary of Engrossed Bill

- Modifies the estate tax rates to a range of 10 percent to 20 percent for Washington taxable estates of decedents dying on or after July 1, 2026.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Robinson, Chair; Stanford, Vice Chair, Operating; Trudeau, Vice Chair, Capital; Gildon, Ranking Member, Operating; Torres, Assistant Ranking Member, Operating; Schoesler, Ranking Member, Capital; Dozier, Assistant Ranking Member, Capital; Braun, Cleveland, Conway, Dhingra, Hansen, Kauffman, Muzzall, Pedersen, Riccelli, Wagoner, Warnick, Wellman and Wilson, C..

Minority Report: Do not pass.

Signed by Senators Frame, Vice Chair, Finance; Hasegawa.

Minority Report: That it be referred without recommendation.

Signed by Senator Saldaña.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Staff: Tianyi Lan (786-7432)

Background: Estate Tax. The estate tax is a tax on the right to transfer property at the time of death. The tax is sometimes referred to as a transfer tax. Unlike an inheritance tax, which is tax on the beneficiaries of an estate, the estate tax is on the decedent's estate. A Washington decedent or a non-resident decedent who owns property in this state may owe estate tax depending on the value of their estate. A person living in Washington who inherits property or money does not owe Washington taxes on the inheritance.

The tax applies to all property owned by the decedent on the date of death. The term property includes real estate and other property located in this state, as well as intangible assets owned by a Washington resident, regardless of location. After subtracting certain allowable deductions and a set exclusion amount, the remaining taxable estate is subject to a graduated rate schedule. An estate tax return is not required to be filed unless the gross estate is equal to or greater than the applicable exclusion amount.

The 2025 Legislature has modified the rate schedule. The following table summarizes the rates for a Washington taxable estate.

Washington Taxable Estate Value	Rate for Estates of Decedents Dying before July 1, 2025	Rate for Estates of Decedents Dying on or after July 1, 2025
\$0 to \$1,000,000	10%	10%
\$1,000,000 to \$2,000,000	14%	15%
\$2,000,000 to \$3,000,000	15%	17%
\$3,000,000 to \$4,000,000	16%	19%
\$4,000,000 to \$6,000,000	18%	23%
\$6,000,000 to \$7,000,000	19%	26%
\$7,000,000 to \$9,000,000	19.5%	30%
\$9,000,000 and up	20%	35%

The 2025 Legislature also made other changes to the estate tax, including increasing the estate tax applicable exclusion amount from \$2.193 million to \$3 million for estates of decedents dying on or after July 1, 2025 and updating the consumer price index reference. The exclusion amount is adjusted annually by the Department of Revenue using the Seattle metropolitan area October consumer price index.

The proceeds of the estate tax are deposited into the Education Legacy Trust Account (ELTA). The ELTA may be used only for the support of the common schools, expanding access to higher education through funding for new enrollments and financial aid, and other educational improvement efforts.

Summary of Engrossed Bill: For estates of decedents dying on or after July 1, 2026, the estate tax rates are adjusted as follows:

Washington Taxable Estate Value	Rate for Estates of Decedents Dying on or after July 1, 2026
\$0 to \$1,000,000	10%
\$1,000,000 to \$2,000,000	14%
\$2,000,000 to \$3,000,000	15%
\$3,000,000 to \$4,000,000	16%
\$4,000,000 to \$6,000,000	18%
\$6,000,000 to \$7,000,000	19%
\$7,000,000 to \$9,000,000	19.5%
\$9,000,000 and up	20%

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: None.

Persons Testifying: No one.

Persons Signed In To Testify But Not Testifying: No one.

EFFECT OF HOUSE AMENDMENT(S):

- Specifies that the exclusion amount is \$3.076 million for decedents dying on or after January 1, 2026, but before July 1, 2026.
- Changes the exclusion amount to \$3 million for decedents dying on or after July 1, 2026.
- Changes the Consumer Price Index (CPI) reference to CPI for the Seattle-Tacoma-Bremerton metropolitan area.