

Pennsylvania Inheritance Tax

Quick reference: rates, exemptions, deadlines, and the 5% discount

Pennsylvania imposes an inheritance tax on assets transferred at death. The rate depends on the relationship between the decedent and the beneficiary — not the size of the estate. This differs from the federal estate tax, which applies only to estates exceeding \$15 million per person (2026).

Beneficiary	Rate	Notes
Surviving spouse	0%	Exempt regardless of amount transferred
Children / lineal descendants	4.5%	Children, grandchildren, great-grandchildren, parents
Siblings	12%	Brothers and sisters only
All others	15%	Nieces, nephews, friends, unmarried partners

KEY EXEMPTIONS

- Life insurance paid to a named beneficiary (not the estate)
- Property passing to a surviving spouse
- Certain farmland and agricultural property
- Qualified family-owned business interests (limited)
- Charitable bequests to 501(c)(3) organizations

IMPORTANT DEADLINES

9 months

Inheritance Tax Return (REV-1500) due

Interest accrues on unpaid tax after this date.

3 months

Pay early — receive a 5% discount

Example: \$500,000 estate → children at 4.5%
= \$22,500 tax. 5% discount saves \$1,125.

PLANNING NOTE

PA inheritance tax applies regardless of estate size.
Married couples can reduce exposure through coordinated planning — spousal transfers are always 0%. Transfers to children within one year of death are still taxed at 4.5%. Consult an attorney before making any transfers.

Questions about inheritance tax for a specific estate?

Call (724) 733-3500 or use our free PA Inheritance Tax Calculator at ament.law/tools/inheritance-tax-calculator/

Flat-fee estate administration. No surprises.