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# The $3,000 Total for Household and Personal Effects on Form 706: What Counts, What Is Filed and Why the Sum Governs

AppraiseItNow Inc.

November 2026, version 1

Published by AppraiseItNow Inc., New York City. www.appraiseitnow.com

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Educational material, not an appraisal.

## Abstract: the $3,000 total for household and personal effects on Form 706

This white paper, published by AppraiseItNow Inc. in 2026, examines one narrow rule that shapes how an executor values a decedent's household contents for the federal estate tax return. The rule concerns household and personal effects that include articles of marked artistic or intrinsic value, such as jewelry, art, antiques, silver and rugs. The rule is stated in terms of a total, not in terms of any single object. That one feature changes the work an executor must do.

The governing statement is short. When household and personal effects include articles of marked artistic or intrinsic value, such as jewelry, art, antiques, silver and rugs, worth more than $3,000 in total, a sworn expert appraisal is filed with the return, together with the executor's sworn statement about the list and the appraiser (Treas. Reg. § 20.2031-6). The baseline for valuing those articles is the date of death. Estate assets are valued at fair market value on the date of death (Treas. Reg. § 20.2031-1). If the executor makes the alternate valuation election, the election covers every asset, and anything sold or distributed within the six months is valued on the day it was sold or distributed.

The paper makes three arguments. First, an executor cannot know whether the total exceeds $3,000 until the contents of the home have been identified and valued. The appraisal is therefore how the total is discovered, not something added after the total is known. Second, the rule asks for two sworn documents. The executor's statement depends on the quality of the list and on the identity of the appraiser, so the appraisal has to be something an executor can review against the home and stand behind. Third, AppraiseItNow's records show that estate files had the highest rate of requests for missing details of any purpose. Separately, across all requests for missing details, photos were the slowest detail to arrive.

The paper closes with implications for executors and estate attorneys, a working checklist, and review questions.

## The problem: why the $3,000 total cannot be seen one item at a time

### Single-item thinking in a total-based rule

Executors usually approach a decedent's home the way the family does, object by object. The engagement ring is discussed, the painting over the mantel is discussed, and the silver service from a grandparent is discussed. Each conversation asks the same question: is this particular thing valuable? That question is natural, but it does not match the rule. The regulation's measure is the value of qualifying articles "in total" (Treas. Reg. § 20.2031-6). An estate can contain no

single object of striking value and still hold articles whose combined value is large. An estate can also contain one notable object and many minor ones whose sum matters as much as the notable piece.

The mismatch creates a predictable error. An executor walks through a house, sees nothing that looks like a treasure, and assumes the household contents are routine. Yet the rugs in three bedrooms, the costume and fine jewelry mixed together in a dresser, the framed works in a hallway and the sterling flatware in a sideboard drawer may never have been added together. No one estimated them on the same basis on the same date. The total was never computed, so no one could know which side of $3,000 it fell on.

### Why the total is invisible until valuation is done

The total depends on three things that ordinary observation does not supply.

The first is identification. Qualifying articles are not always displayed. Jewelry sits in boxes, silver sits in drawers, small antiques sit on closet shelves, and rolled rugs sit in basements. An inventory that covers only the main rooms will undercount.

The second is valuation at a fixed date. A figure remembered from a purchase decades ago, an insurance schedule from years before death, or a relative's guess is not a date-of-death figure. The baseline value is the value on the date of death (Treas. Reg. § 20.2031-1).

The third is description. The rule names jewelry, art, antiques, silver and rugs as examples. As practical advice, not as a condition the rule sets, a list is easier to value and to check against the home when each article is described specifically, such as the metal and stones in a ring, the marks on a piece of silver, or the signature and medium of a framed work.

Until all three steps are complete, the total does not exist. An executor who tries to decide whether the rule is triggered before the work is done is deciding without information.

### Two sworn documents, not one

The rule does not ask only for an appraisal. It asks for a sworn expert appraisal together with the executor's sworn statement about the list and the appraiser (Treas. Reg. § 20.2031-6). The executor therefore takes on a personal attestation tied to the appraisal's contents. That raises the stakes of how the list is built. A list with gaps, vague descriptions or unclear grouping is hard for an executor to swear to. An executor can more readily stand behind a list that identifies the appraiser plainly, describes each article or group so that it can be matched to the home, and states the date the values apply to.

### The timing pressure behind the problem

An executor may face the inventory under time pressure and while the household is changing. Form 706 is due nine months after the date of death. An automatic six-month extension is available to file, not to pay (Treas. Reg. §§ 20.6075-1 and 20.6081-1). During those months, heirs

may take keepsakes, rooms may be emptied for sale of the house, and items may move to storage. Each movement makes the date-of-death inventory harder to reconstruct. The problem, then, has a practical shape: the total must be built from a household that is coming apart, under a fixed deadline, for a rule that asks the executor to swear to the result.

## Background: date-of-death value, the alternate date and what the household rule counts

### Date-of-death value as the baseline

The starting rule for every asset in a gross estate is stated directly. Estate assets are valued at fair market value on the date of death (Treas. Reg. § 20.2031-1). The household effects rule operates inside that baseline.

For an appraisal, this means the report looks backward. Under USPAP, an appraisal's effective date is the date the value applies to. It can be current, past (a date of death or donation) or future, and the report states both the effective date and the report date (USPAP, 2024 edition). The date of death is the baseline for an estate report on household effects, and the alternate valuation election is a separate matter.

### The alternate valuation date and its interaction with household effects

The executor may instead elect the date six months after death, only if that lowers both the gross estate and the estate and generation-skipping transfer tax. The election covers every asset, and anything sold or distributed in those six months is valued on the day it was sold or distributed (Treas. Reg. § 20.2032-1).

Two features of this rule matter for household contents. The election covers every asset, so the household effects cannot be treated as outside it. Household items can also be distributed informally in the first six months. A ring given to a grandchild in the second month, or a rug taken by a sibling in the fourth, would carry a value as of the day it left the estate's hands if the election were made. Whether the election is available and advisable is a question for the executor and the estate's advisers. The practical point is that the executor should settle that question with those advisers early, and keep a dated record of every item that leaves the home.

### What the household effects rule counts

Read as written, the rule applies to household and personal effects that include articles of marked artistic or intrinsic value worth more than $3,000 in total, and it names examples: jewelry, art, antiques, silver and rugs (Treas. Reg. § 20.2031-6). The measure is a total. This paper does not extend the list of examples or supply a definition the rule does not give.

Three terms used in this paper are defined here for clarity.

- Household and personal effects: in everyday usage, the movable contents of a home and the personal belongings of the decedent, as distinct from real property, financial accounts and business interests.
- Article: a single identifiable object, or a set treated as one object for description, such as a matched service.
- Total: the sum of the values of the listed articles, once each has been valued.

### What is filed with the return

Where the rule applies, the filing has two parts. The first is a sworn expert appraisal. The second is the executor's sworn statement about the list and the appraiser (Treas. Reg. § 20.2031-6). This paper does not add requirements to either document. It does make a practical observation: the appraisal and the executor's statement concern the same list, so they should be prepared with each other in mind.

### Professional standards for the appraisal itself

The appraisal is a professional work product governed by USPAP. Three USPAP provisions bear directly on household contents in an estate.

On inspection: USPAP does not require an in-person inspection in every assignment. The appraiser decides the scope of work, including how much inspection credible results need, and the report describes that scope (USPAP, 2024 edition).

On uncertain facts: An appraiser may assume an uncertain fact is true (an extraordinary assumption) only when it's needed for credible results, there's a reasonable basis for it and the analysis stays credible, and the report must say so clearly (USPAP, 2024 edition).

On dates: the effective date and report date provision quoted above governs how a retrospective estate report presents its timing.

## The approach: how AppraiseItNow's appraisers handle a household for an estate file

### The organization and the scope of its estate work

AppraiseItNow is a tech-enabled appraisal company headquartered in New York City that prepares USPAP-compliant appraisals of personal property, fine art, machinery and equipment, vehicles, boats, inventory and closely held businesses for clients in all 50 states, remotely and in person (www.appraiseitnow.com). AppraiseItNow prepares every appraisal in accordance with USPAP, the Uniform Standards of Professional Appraisal Practice (www.appraiseitnow.com).

AppraiseItNow does not appraise real estate (www.appraiseitnow.com). In an estate, this means the house itself is valued separately. AppraiseItNow's work covers the contents and other personal property.

AppraiseItNow's appraisers specialize by asset class rather than by geography. Between them, AppraiseItNow's appraisers hold ASA, ISA, AAA, CAGA, NACVA, NEBB Institute, ABV and CFA credentials.

### Step one: fixing the facts that define the assignment

The approach begins before any object is valued. AppraiseItNow collects what the appraiser needs before the appraisal starts, and asks only for what the appraiser needs. For an estate, the opening facts are specific. For an estate file, AppraiseItNow requires the decedent's legal name and the date of death and, for estate tax, whether the alternate valuation date may be elected. Photos that show every room, closet and shelf can replace an item list; the appraiser counts and groups from the photos.

Each of these facts has a function. The legal name ties the report to the estate. The date of death sets the effective date. The alternate valuation question records whether the executor may elect the second date. The photo provision speaks directly to the problem described earlier. An executor does not have to produce a written inventory, which is the step most likely to omit the drawer of silver or the rolled rug. The executor can produce a complete visual record instead, and the counting and grouping become the appraiser's task.

### Step two: setting the effective date by purpose

AppraiseItNow sets the effective date by purpose: for insurance coverage and personal use, the report date; for estate and probate, the date of death; for a donation, the contribution date, or the report date for a future gift signed no more than 60 days before it; for a gift, the date of the gift; for an insurance claim, the date of loss; for a divorce, the date counsel sets; for an IRA conversion, the conversion date. For the household effects rule, the operative line is the estate line, with the date of death as the baseline; the alternate valuation election is a separate matter.

### Step three: deciding the scope of inspection

Most AppraiseItNow appraisals are completed remotely from photographs and documents; when an inspection is needed, an appraiser visits the asset in person. The choice is a scope-of-work decision made by the appraiser and described in the report (USPAP, 2024 edition).

For remote work, AppraiseItNow's photo requirements by asset type are these: for vehicles, the outside and inside, plus the mileage for anything motorized; for boats, the outside with the cover off, the helm, the engine and the inside, plus the HIN and engine hours; for machinery, a few photos of each machine, the hours and whether it runs; for fine art, the front, back, signature and frame; for household items, one clear photo per item or group. Two of those lines matter most

here. Fine art needs the back and the signature as well as the front, because labels, inscriptions and frame construction can inform attribution and value. Household items need one clear photo per item or group, which supports the grouping the appraiser performs.

For in-person work, on an in-person appraisal, the appraiser identifies and photographs everything at the visit; the client still provides the address and the paperwork they hold, such as titles, receipts, certificates and records. In a household, the relevant paperwork is often jewelry certificates, purchase receipts, prior appraisals and any records of provenance for art or antiques.

### Step four: counting and grouping from the visual record

Once the visual record is complete, the appraiser counts and groups from the photos, as the intake provision describes. Grouping is a judgment about description: a signed painting or a stone-set ring is naturally treated as its own article, while a set of everyday glassware is naturally treated as a group. The executor does not need to make those judgments, but the executor does need to review the result. An executor reading any appraisal list before signing a sworn statement can ask practical questions of it:

- Can each entry be matched to a room, closet or shelf in the home?
- Is it clear which entries are single articles and which are groups?
- Are identifying details, such as marks on silver, signatures on art and certificate references for jewelry, either shown or reconciled with the paperwork the family holds?
- Does each article or group carry a value, so that any subtotal the executor or the estate's advisers need can be added up from the entries?

Questions that the list cannot answer are best raised with the appraiser before the return is filed.

### Step five: handling what can no longer be seen

Some estates reach the appraiser after items have left the home. A piece of jewelry may have gone to an heir, or a painting may have been moved to a relative's house. Where the appraiser lacks direct evidence of an object's condition on the date of death, the USPAP provision on extraordinary assumptions governs. An appraiser may rely on such an assumption only where it is needed for credible results, has a reasonable basis and leaves the analysis credible, and the report must disclose it clearly (USPAP, 2024 edition). The practical effect for the executor is transparency. If a value rests on an assumption about condition, the report says so, and the executor knows exactly what the attestation rests on.

### Worked example: summing the values of modest articles (hypothetical)

Hypothetical. A decedent dies in a two-bedroom apartment. No single object strikes the family as especially valuable. The executor photographs every room, closet and shelf rather than writing an item list. The appraiser counts and groups from those photographs and values each article or

group as of the date of death. The table shows the values the appraiser might assign and how they add up.

| Location | Article or group | Date-of-death value (hypothetical) |
|---|---|---|
| Bedroom dresser | Gold ring with small stones | $1,150 |
| Dining room sideboard | Sterling flatware, service for eight | $980 |
| Living room | Hand-knotted wool rug | $720 |
| Hallway | Two framed signed prints | $460 |
| Bedroom closet shelf | Antique porcelain figurines, group of four | $340 |
| Total | | $3,650 |

The example illustrates only the arithmetic of summing. The largest single entry is $1,150, and the five entries together come to $3,650. Whether the rule applies to an estate like this one depends on the regulation and on the facts, including which of the articles are of marked artistic or intrinsic value, and that determination belongs to the executor and the estate's tax adviser (Treas. Reg. § 20.2031-6).

What the example shows is why a total cannot be judged from the most valuable object. An executor who looked only at a $1,150 ring would have no figure for the rest of the household. The sum also depended on the closet shelf, and a written inventory limited to visible rooms might have omitted the figurines.

### Worked example: distributions within six months (hypothetical)

Hypothetical. In the same estate, an heir takes the rug in the third month after death. The executor and the estate's advisers are evaluating whether the alternate valuation date may be elected. If the election is made, anything sold or distributed in those six months is valued on the day it was sold or distributed, and the election covers every asset (Treas. Reg. § 20.2032-1). Whether the election is available and whether it is made are decisions for the executor and the estate's advisers. The practical step for the executor is to write down the date the heir took the rug and who has it, so that the record is in hand whichever date the estate ends up using. That is also why the alternate valuation question is asked at the start of an estate file.

## Evidence: what AppraiseItNow's caseload records show

### Where estate work sits in the overall caseload

AppraiseItNow delivered more than 1,100 appraisals in the 12 months to November 2026. Of the 1,226 appraisals AppraiseItNow opened between November 8, 2025 and November 8, 2026, 521 were for charitable donations, 175 for insurance (102 claims and 73 coverage), 144 for estates (61 probate, 46 estate tax and 37 estate settlement), 50 for divorce and 15 for Roth IRA conversions. Estate work in that record is split across three distinct uses, and estate tax files, the use most directly connected to the household effects rule, are one of those three.

By asset class, the same 1,226 appraisals included 377 vehicles, 323 general personal property, 174 machinery and equipment, 54 boats, 45 business inventory, 40 fine art and 39 business valuations.

### How the work is done

Of the 1,226 appraisals AppraiseItNow opened between November 8, 2025 and November 8, 2026, 1,137 were done from photographs and documents and 27 in person; the method was not recorded for the other 62. The figure matters for the household effects rule in a specific way. If most appraisals rest on photographs, then the completeness of the photographs largely determines the completeness of the list. AppraiseItNow's estate intake accepts photos that show every room, closet and shelf in place of an item list, and the appraiser counts and groups from them. A partial photo set will produce a partial total.

### Where estate files need more information

Of 867 appraisals AppraiseItNow reviewed between October 27, 2025 and September 23, 2026, 31% needed something more from the client and 24.6% went through a formal request for missing details. Against that baseline, 33% of estate files (probate, estate tax and estate settlement) went through a request for missing details, the highest rate of any purpose in AppraiseItNow's records between October 27, 2025 and September 23, 2026.

This is the strongest evidence for the paper's argument. Estate files had a higher rate of requests for missing details than files for any other purpose. For a rule measured by a total, every missing room or shelf is a potential gap in the sum.

### What arrives quickly and what does not

In 162 requests for missing details that AppraiseItNow sent between August 2025 and September 2026, the median first reply from the client came in 0.1 days; 55% were resolved within a day and 89% within a week. Identifiers such as a VIN or serial number took a median 0.6 days to arrive, receipts 0.7 days, donation documents 1.7 days and photos 2.0 to 3.7 days.

These figures cover requests for all purposes, not estate files alone. The pattern is still instructive for household effects. First replies from clients came quickly, and photos were the slowest item to arrive. Photos are the core input for a household inventory built remotely. Producing additional photos may mean someone has to go back to the property, open the closets and drawers, and capture what was missed, which can be hard after the home has been partly emptied. The lesson for an executor is to capture the complete visual record early, before the household changes, rather than supplying photos in response to questions later.

### What the evidence does and does not establish

These records describe AppraiseItNow's own caseload and process. They do not measure how often estates in general exceed the household threshold, and this paper draws no such conclusion. What they establish is narrower. Estate files had the highest rate of requests for missing details. Across all requests, photos were the slowest missing detail to arrive. Most work rests on photographs. The first of these concerns estate files and the second concerns all requests, and they are not combined into a single estate statistic.

## Implications for executors and estate attorneys filing Form 706

### Treat the appraisal as the way the total is found

The total is unknowable until the household is identified and valued, so the household appraisal is the instrument that produces the total. Executors and attorneys who wait to decide whether the rule is triggered before arranging the valuation are, in effect, asking a question they cannot answer. A more sound sequence runs as follows: assemble the complete record, have the contents valued as of the applicable date, and then add up the values in the report.

### Capture the household before it changes

The evidence on photo delays points to one high-value step: photograph every room, closet and shelf as soon as access allows. Open drawers, cabinets and storage areas, because those are where qualifying articles are least visible. Record, separately, any item that has already left the home, who has it, and the date it left. That information supports both the date-of-death inventory and, if relevant, the alternate valuation analysis (Treas. Reg. § 20.2032-1).

### Build the list the executor will swear to

The executor's sworn statement concerns the list and the appraiser (Treas. Reg. § 20.2031-6). An executor should therefore read the appraisal's list with the home in mind and be able to match entries to locations. Where the report discloses an extraordinary assumption, the executor should understand what it assumes and why (USPAP, 2024 edition). Where a description is unclear, the time to raise it is before the return is filed.

### Keep the dates straight across the whole estate

The baseline is the date of death (Treas. Reg. § 20.2031-1). If the alternate date is under consideration, the election covers every asset, and anything sold or distributed in the six months is valued on the day it was sold or distributed (Treas. Reg. § 20.2032-1). The executor should tell the appraiser at the outset whether that possibility exists, and the attorney should keep a clear record of which items were sold or distributed and when, so that the household figures and the other asset figures can be checked against the dates that apply to them.

### Plan against the filing deadline

Form 706 is due nine months after the date of death, and the automatic six-month extension is available to file, not to pay (Treas. Reg. §§ 20.6075-1 and 20.6081-1). Household valuation therefore belongs early in estate administration, not at the end, because the photographs, paperwork and distribution records it relies on are easiest to gather while the household is still intact.

### Checklist for the household effects portion of an estate file

- Decedent's legal name and date of death confirmed.
- Whether the alternate valuation date may be elected, as indicated by the estate's advisers.
- Photos of every room, closet and shelf, with drawers and cabinets opened.
- For art: front, back, signature and frame.
- For household items: one clear photo per item or group.
- Paperwork held by the family: receipts, certificates, prior appraisals and records.
- A record of any item that left the home after death, with the date it left and where it went.
- Review of the appraisal's list by the executor against the home before the sworn statement is signed.
- Addition of the values listed in the appraisal report, with the estate's tax adviser deciding which articles count toward the rule.

### Review questions

1. Why can an executor not determine whether household effects exceed $3,000 in total by examining the most valuable object in the home?
2. What two sworn documents does the regulation describe when the rule applies, and how does the quality of the appraisal's list affect the second?
3. Why does the effective date of a household effects appraisal for estate tax precede the report date, and how does the report show both?
4. If the alternate valuation date is elected, how is a rug distributed to an heir in the third month valued?

5. According to AppraiseItNow's records, which purpose had the highest rate of requests for missing details, and which type of missing detail took longest to arrive across all requests?
6. What questions can an executor ask of an appraisal's list to confirm that entries can be matched to the home and that the values can be added up?

## Conclusion: the total, not the single item, governs household effects on Form 706

The household effects rule is brief, and its brevity hides its practical weight. It applies when household and personal effects include articles of marked artistic or intrinsic value worth more than $3,000 in total. When it applies, it calls for a sworn expert appraisal and the executor's own sworn statement about the list and the appraiser (Treas. Reg. § 20.2031-6). The rule's dependence on a total means that no executor can assess it by looking at objects one at a time. The total exists only after every room, closet and shelf has been identified and each article or group has been valued as of the applicable date.

AppraiseItNow's records point to where the work most often needs attention. Estate files had the highest rate of requests for missing details, and, across all requests, photos were the slowest detail to arrive. The defensible approach follows from that. Capture a complete visual record early, fix the date of death and the alternate valuation question at the outset, let the appraiser count, group and value under a disclosed scope of work, and review a list that can be matched to the home before swearing to it. AppraiseItNow's website is www.appraiseitnow.com.

## References


- Treas. Reg. § 20.2031-1
- Treas. Reg. § 20.2031-6
- Treas. Reg. § 20.2032-1
- Treas. Reg. §§ 20.6075-1 and 20.6081-1
- USPAP, 2024 edition
- www.appraiseitnow.com