

SENATE BILL No. 63

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-4.1-3-10; IC 6-4.1-5-1.

Synopsis: Inheritance tax exemption for lineal descendants and ancestors. Provides a complete exemption to the inheritance tax for property interests transferred to lineal descendants and ancestors (Class A transferees) with respect to decedents who die after June 30, 1999.

Effective: July 1, 1999.

Ford

January 6, 1998, read first time and referred to Committee on Finance.



Introduced

Second Regular Session 110th General Assembly (1998)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

SENATE BILL No. 63

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-4.1-3-10, AS AMENDED BY P.L.254-1997(ss),
2 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 1999]: Sec. 10. (a) **With respect to a decedent who dies**
4 **before July 1, 1999**, the first one hundred thousand dollars (\$100,000)
5 of property interests transferred to a Class A transferee under a taxable
6 transfer or transfers is exempt from the inheritance tax.

7 (b) **With respect to a decedent who dies after June 30, 1999,**
8 **the entire amount of property interests transferred to a Class A**
9 **transferee is exempt from the inheritance tax.**

10 SECTION 2. IC 6-4.1-5-1 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) For purposes of
12 this section, the net taxable value of property interests transferred by a
13 decedent to a particular transferee equals the remainder of:

- 14 (1) the total fair market value of the property interests transferred
15 by the decedent to the transferee under a taxable transfer or
16 transfers; minus
17 (2) the total amount of exemptions and deductions provided

1998

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1 under sections 9.1 through 15 of IC 6-4.1-3 with respect to the
2 property interests so transferred.

3 (b) **With respect to a decedent who dies before July 1, 1999**, the
4 inheritance tax imposed on a decedent's transfer of property interests
5 to a particular Class A transferee is prescribed in the following table:

6 NET TAXABLE VALUE OF	
7 PROPERTY INTERESTS	
8 TRANSFERRED	9 INHERITANCE TAX
10 \$25,000 or less	1% of net taxable value
11 over \$25,000 but not	
12 over \$50,000	\$250, plus 2% of net taxable value over \$25,000
13 over \$50,000 but not	
14 over \$200,000	\$750, plus 3% of net taxable value over \$50,000
15 over \$200,000 but not	
16 over \$300,000	\$5,250, plus 4% of net taxable value over \$200,000
17 over \$300,000 but not	
18 over \$500,000	\$9,250, plus 5% of net taxable value over \$300,000
19 over \$500,000 but not	
20 over \$700,000	\$19,250, plus 6% of net taxable value over \$500,000
21 over \$700,000 but not	
22 over \$1,000,000	\$31,250, plus 7% of net taxable value over \$700,000
23 over \$1,000,000 but not	
24 over \$1,500,000	\$52,250, plus 8% of net taxable value over \$1,000,000
25 over \$1,500,000 but not	
26 over \$1,500,000	\$92,250, plus 10% of net taxable value over \$1,500,000
27	

28 (c) **With respect to a decedent who dies after June 30, 1999**, the
29 inheritance tax imposed on the decedent's transfer of property
30 interests to a particular Class A transferee is zero dollars (\$0).

31 (d) The inheritance tax imposed on a decedent's transfer of
32 property interests to a particular Class B transferee is prescribed in the
33 following table:

34 NET TAXABLE VALUE OF	
35 PROPERTY INTERESTS	
36 TRANSFERRED	37 INHERITANCE TAX
38 \$100,000 or less	7% of net taxable value



1	over \$100,000 but not	
2	over \$500,000	\$7,000, plus 10% of net
3		taxable value over \$100,000
4	over \$500,000 but not	
5	over \$1,000,000	\$47,000, plus 12% of net
6		taxable value over \$500,000
7	over \$1,000,000	\$107,000, plus 15% of net
8		taxable value over \$1,000,000
9	(d) (e) The inheritance tax imposed on a decedent's transfer of	
10	property interests to a particular Class C transferee is prescribed in the	
11	following table:	
12	NET TAXABLE VALUE OF	
13	PROPERTY INTERESTS	
14	TRANSFERRED	INHERITANCE TAX
15	\$100,000 or less	10% of net taxable value
16	over \$100,000 but not	
17	over \$1,000,000	\$10,000, plus 15% of net
18		taxable value over
19		\$100,000
20	over \$1,000,000	\$145,000, plus 20% of
21		net taxable value over
22		\$1,000,000

