

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

# HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that Engrossed Senate Bill 465 be amended to read as follows:

- 1 Page 5, between lines 6 and 7, begin a new paragraph and insert
- 2 "SECTION 3. IC 6-4.1-2-0.5 IS ADDED TO THE INDIANA CODE
- 3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 4 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this chapter does not**
- 5 **apply to a property interest transferred from the estate of a**
- 6 **decedent whose death occurs after June 30, 1999.**
- 7 SECTION 4. IC 6-4.1-3-0.5 IS ADDED TO THE INDIANA CODE
- 8 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 9 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this chapter does not**
- 10 **apply to a property interest transferred from the estate of a**
- 11 **decedent whose death occurs after June 30, 1999.**
- 12 SECTION 5. IC 6-4.1-4-0.2 IS ADDED TO THE INDIANA CODE
- 13 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 14 1, 1999]: **Sec. 0.2. Beginning July 1, 1999, this chapter does not**
- 15 **apply to a property interest transferred from the estate of a**
- 16 **decedent whose death occurs after June 30, 1999.**
- 17 SECTION 6. IC 6-4.1-5-0.5 IS ADDED TO THE INDIANA CODE
- 18 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 19 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this chapter does not**
- 20 **apply to a property interest transferred from the estate of a**
- 21 **decedent whose death occurs after June 30, 1999.**
- 22 SECTION 7. IC 6-4.1-6-0.5 IS ADDED TO THE INDIANA CODE
- 23 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 24 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this chapter does not**

1 **apply to a property interest transferred from the estate of a**  
 2 **decedent whose death occurs after June 30, 1999.**

3 SECTION 8. IC 6-4.1-7-0.5 IS ADDED TO THE INDIANA CODE  
 4 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 5 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this chapter does not**  
 6 **apply to a property interest transferred from the estate of a**  
 7 **decedent whose death occurs after June 30, 1999.**

8 SECTION 9. IC 6-4.1-8-0.5 IS ADDED TO THE INDIANA CODE  
 9 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 10 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this chapter does not**  
 11 **apply to a property interest transferred from the estate of a**  
 12 **decedent whose death occurs after June 30, 1999.**

13 SECTION 10. IC 6-4.1-9-0.5 IS ADDED TO THE INDIANA  
 14 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 15 [EFFECTIVE JULY 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this**  
 16 **chapter does not apply to a property interest transferred from the**  
 17 **estate of a decedent whose death occurs after June 30, 1999.**

18 SECTION 11. IC 6-4.1-10-0.5 IS ADDED TO THE INDIANA  
 19 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 20 [EFFECTIVE JULY 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this**  
 21 **chapter does not apply to a property interest transferred from the**  
 22 **estate of a decedent whose death occurs after June 30, 1999.**

23 SECTION 12. IC 6-4.1-11-2 IS AMENDED TO READ AS  
 24 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) **This section**  
 25 **applies to the estate of a decedent whose death occurs before July**  
 26 **1, 1999.**

27 (b) The Indiana estate tax is the amount determined in STEP FOUR  
 28 of the following formula:

29 STEP ONE: Divide:

- 30 (A) the value of the decedent's Indiana gross estate; by  
 31 (B) the value of the decedent's total gross estate for federal  
 32 estate tax purposes.

33 STEP TWO: Multiply:

- 34 (A) the quotient determined under STEP ONE; by  
 35 (B) the federal state death tax credit allowable against the  
 36 decedent's federal estate tax.

37 The product is the Indiana portion of the federal state death tax  
 38 credit.

39 STEP THREE: Subtract:

- 40 (A) the amount of all Indiana inheritance taxes actually paid  
 41 as a result of the decedent's death; from  
 42 (B) the product determined under STEP TWO.

43 STEP FOUR: Determine the greater of the following:

- 44 (A) The remainder determined under STEP THREE.  
 45 (B) Zero (0).

46 ~~(b)~~ (c) For purposes of this section, the value of a nonresident

1 decedent's Indiana gross estate equals the total fair market value on the  
 2 appraisal date of tangible personal property and real estate which had  
 3 an actual situs in Indiana at the time of the decedent's death and which  
 4 is included in the decedent's gross estate for federal estate tax purposes  
 5 under Sections 2031 through 2044 of the Internal Revenue Code.

6 ~~(c)~~ **(d)** For purposes of this section, the value of a resident  
 7 decedent's Indiana gross estate equals the total fair market value on the  
 8 appraisal date of personal property and real estate that had an actual  
 9 situs in Indiana at the time of the decedent's death and all intangible  
 10 personal property wherever located that is included in the decedent's  
 11 gross estate for federal estate tax purposes.

12 ~~(d)~~ **(e)** For purposes of this section, the value of a resident or  
 13 nonresident decedent's total gross estate for federal estate tax purposes  
 14 equals the total fair market value on the appraisal date of the property  
 15 included in the decedent's gross estate for federal estate tax purposes  
 16 under Sections 2031 through 2044 of the Internal Revenue Code.

17 ~~(e)~~ **(f)** For purposes of determining the value of a decedent's Indiana  
 18 gross estate and the decedent's total gross estate, the appraisal date for  
 19 each property interest is the date on which the property interest is  
 20 valued for federal estate tax purposes.

21 ~~(f)~~ **(g)** The estate tax does not apply to a property interest transfer  
 22 made by a resident decedent if the interest transferred is in:

23 (1) real property located outside Indiana, regardless of whether  
 24 the property is held in a trust or whether the trustee is required to  
 25 distribute the property in-kind; or

26 (2) real property located in Indiana, if:

27 (A) the real property was transferred to an irrevocable trust  
 28 during the decedent's lifetime;

29 (B) the transfer to the trust was not made in contemplation of  
 30 the transferor's death, as determined under IC 6-4.1-2-4; and

31 (C) the decedent does not have a retained interest in the trust.

32 SECTION 13. IC 6-4.1-11-2.5 IS ADDED TO THE INDIANA  
 33 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 34 [EFFECTIVE JULY 1, 1999]: **Sec. 2.5. (a) This section applies to the**  
 35 **estate of a decedent whose death occurs after June 30, 1999.**

36 **(b) The Indiana estate tax is the amount determined in STEP**  
 37 **THREE of the following formula:**

38 **STEP ONE: Divide:**

39 **(A) the value of the decedent's Indiana gross estate; by**

40 **(B) the value of the decedent's total gross estate for federal**  
 41 **estate tax purposes.**

42 **STEP TWO: Multiply:**

43 **(A) the quotient determined under STEP ONE; by**

44 **(B) the federal state death tax credit allowable against the**  
 45 **decedent's federal estate tax.**

46 **The product is the Indiana portion of the federal state death**

- 1 tax credit.
- 2 **STEP THREE: Determine the greater of the following:**
- 3 (A) The product determined under STEP TWO.
- 4 (B) Zero (0).
- 5 (c) For purposes of this section, the value of a nonresident
- 6 decedent's Indiana gross estate equals the total fair market value
- 7 on the appraisal date of tangible personal property and real estate
- 8 that had an actual situs in Indiana at the time of the decedent's
- 9 death and that is included in the decedent's gross estate for federal
- 10 estate tax purposes under Sections 2031 through 2044 of the
- 11 Internal Revenue Code.
- 12 (d) For purposes of this section, the value of a resident
- 13 decedent's Indiana gross estate equals the total fair market value
- 14 on the appraisal date of personal property and real estate that had
- 15 an actual situs in Indiana at the time of the decedent's death and all
- 16 intangible personal property wherever located that is included in
- 17 the decedent's gross estate for federal estate tax purposes.
- 18 (e) For purposes of this section, the value of a resident or
- 19 nonresident decedent's total gross estate for federal estate tax
- 20 purposes equals the total fair market value on the appraisal date
- 21 of the property included in the decedent's gross estate for federal
- 22 estate tax purposes under Sections 2031 through 2044 of the
- 23 Internal Revenue Code.
- 24 (f) For purposes of determining the value of a decedent's
- 25 Indiana gross estate and the decedent's total gross estate, the
- 26 appraisal date for each property interest is the date on which the
- 27 property interest is valued for federal estate tax purposes.
- 28 (g) The estate tax does not apply to a property interest transfer
- 29 made by a resident decedent if the interest transferred is in:
- 30 (1) real property located outside Indiana, regardless of
- 31 whether the property is held in a trust or whether the trustee
- 32 is required to distribute the property in-kind; or
- 33 (2) real property located in Indiana, if:
- 34 (A) the real property was transferred to an irrevocable
- 35 trust during the decedent's lifetime;
- 36 (B) the transfer to the trust was not made in contemplation
- 37 of the transferor's death, as determined under

- 1       **IC 6-4.1-2-4; and**
- 2               **(C) the decedent does not have a retained interest in the**
- 3               **trust."**
- 4       Renumber all SECTIONS consecutively.  
(Reference is to ESB 465 as printed April 6, 1999.)

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Representative Kruse