

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6177
BILL NUMBER: SB 111

DATE PREPARED: Nov 12, 1999
BILL AMENDED:

SUBJECT: Inheritance Tax affidavit and due dates.

FISCAL ANALYST: Susan Preble
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FUNDS AFFECTED: **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

- (A) Allows an affidavit stating that no inheritance tax is due after inheritance tax exemptions are taken to be submitted to a county assessor with a request for a consent to transfer;
- (B) Allows the Department of State Revenue or the county assessor to rely upon the affidavit in determining that the transfer will not jeopardize collection of inheritance tax;
- (C) Provides that the affidavit may be recorded in the office of the county recorder if the affidavit contains the legal description of the real property in a decedent's estate;
- (C) Creates a presumption that no Inheritance Tax is due if the affidavit is properly executed and recorded;
- (D) Provides that an Inheritance Tax lien may not attach to real property if the affidavit is properly executed and recorded in the county in which the real property is located unless the Department of State Revenue obtains an order that an Inheritance Tax is owed;
- (E) Repeals a redundant statute concerning the form of an affidavit used to state that no Inheritance Tax is due; and
- (F) Changes the following: (1) the due date for the Inheritance Tax, Estate Tax, and Generation-skipping Tax; (2) the due date for filing an Inheritance Tax return; and (3) the Inheritance Tax early payment discount deadline. (The introduced version of this bill was prepared by the Probate Code Study Commission.)

Effective Date: July 1, 2000.

Explanation of State Expenditures: (A) - (E) The Department of State Revenue has a form which satisfies the requirements of this bill. This bill will not result in additional expenditures.

Explanation of State Revenues: (F) The portions of this bill which reduce the time period for payment of Inheritance Tax will not impact the amount of Inheritance Tax paid to the state. For some estates, the tax may be paid earlier than under current law.

Explanation of Local Expenditures: The County Recorder may receive additional filings as a result of this

bill. Any impact would be minimal.

Explanation of Local Revenues: 8% of the Inheritance Tax is collected by the county of the decedent.

State Agencies Affected: Department of State Revenue.

Local Agencies Affected: County Recorders.

Information Sources: Indiana Department of State Revenue, Bill Reynolds, 232-2075.