
SENATE BILL No. 127

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-4.1.

Synopsis: Inheritance tax exemption for lineal descendants. Provides a complete exemption from the inheritance tax for property interests transferred to lineal descendants and ancestors (Class A transferees) with respect to persons who die after June 30, 2000.

Effective: July 1, 2000.

Ford

January 10, 2000, read first time and referred to Committee on Finance.

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Introduced

Second Regular Session 111th General Assembly (2000)

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 1999 General Assembly.

SENATE BILL No. 127

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 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 10. (a) **With respect**
3 **to a person who dies before July 1, 2000**, the first one hundred
4 thousand dollars (\$100,000) of property interests transferred to a Class
5 A transferee under a taxable transfer or transfers is exempt from the
6 inheritance tax.

7 (b) **With respect to a person who dies after June 30, 2000, the**
8 **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, 2000]: 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 under



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1 sections ~~9-1~~ **10** through 15 of IC 6-4.1-3 with respect to the
2 property interests so transferred.

3 **(b) With respect to a decedent whose death occurred before July**
4 **1, 2000**, the inheritance tax imposed on a decedent's transfer of
5 property interests to a particular Class A transferee is prescribed in the
6 following table:

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

34 **(c) With respect to a decedent whose death occurred after June**
35 **30, 2000**, the inheritance tax imposed on the decedent's transfer of
36 **property interests to a particular Class A transferee is zero dollars**
37 **(\$0).**

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

41 NET TAXABLE VALUE OF
42 PROPERTY INTERESTS



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1	TRANSFERRED	INHERITANCE TAX
2	\$100,000 or less	7% of net taxable value
3	over \$100,000 but not	
4	over \$500,000	\$7,000, plus 10% of net
5		taxable value over \$100,000
6	over \$500,000 but not	
7	over \$1,000,000	\$47,000, plus 12% of net
8		taxable value over \$500,000
9	over \$1,000,000	\$107,000, plus 15% of net
10		taxable value over \$1,000,000
11	(d) (e) The inheritance tax imposed on a decedent's transfer of	
12	property interests to a particular Class C transferee is prescribed in the	
13	following table:	
14	NET TAXABLE VALUE OF	
15	PROPERTY INTERESTS	
16	TRANSFERRED	INHERITANCE TAX
17	\$100,000 or less	10% of net taxable value
18	over \$100,000 but not	
19	over \$1,000,000	\$10,000, plus 15% of net
20		taxable value over
21		\$100,000
22	over \$1,000,000	\$145,000, plus 20% of
23		net taxable value over
24		\$1,000,000

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