

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1911 Session of  
1975

INTRODUCED BY KUSSE AND BRUNNER, NOVEMBER 18, 1975

REFERRED TO COMMITTEE ON JUDICIARY, NOVEMBER 18, 1975

AN ACT

1 Amending the act of June 15, 1961 (P.L.373, No.207), entitled  
2 "An act providing for the imposition of certain taxes upon  
3 the transfer of property passing from a decedent who was a  
4 resident of the Commonwealth at the time of his death or  
5 presumed death and of property having its situs in the  
6 Commonwealth of a decedent who was a nonresident of the  
7 Commonwealth at the time of his death or presumed death;  
8 imposing additional taxes to equal Federal Estate Tax  
9 Credits; defining and taxing certain transfers made in  
10 contemplation of death, or to take effect in possession or  
11 enjoyment at or after death; defining as a transfer and  
12 taxing the right of survivorship in certain property as to  
13 which such right exists; defining and exempting from tax,  
14 transfers to certain persons or for certain purposes or of  
15 certain property; providing for the valuation of property and  
16 interests in property, the transfer of which is subject to  
17 tax; defining and allowing deductions from the value of  
18 property, the transfer of which is subject to tax; providing  
19 for the persons ultimately liable for taxes in the absence of  
20 a direction by the decedent to the contrary; providing for  
21 the reporting of transfers and collection of taxes; imposing  
22 penalties upon banks or other financial institutions for  
23 failure to give notice to the Department of Revenue of the  
24 death of a party to a joint or trust deposit therein and upon  
25 persons who fail to file tax returns and documents; providing  
26 for the compromise of taxes in the case of alleged  
27 nonresidents of the Commonwealth; making it unlawful for any  
28 person to make a false return or report; providing for liens  
29 upon real property, the transfer of which is subject to tax,  
30 and release thereof; authorizing the Secretary of Revenue to  
31 bring suits in other jurisdictions for the collection of  
32 taxes, and authorizing officials of other jurisdictions to  
33 bring suits in the Commonwealth for the collection of death  
34 taxes imposed by their jurisdictions; providing for the  
35 refund of taxes to which the Commonwealth is not rightfully

1 or equitably entitled; providing for appeals and protests  
2 from the imposition of taxes; regulating the entry into safe  
3 deposit boxes of a decedent by certain persons, and providing  
4 penalties; dealing with the jurisdiction, powers and  
5 procedure of the orphans' court, Secretary of Revenue,  
6 Department of Revenue, Attorney General, and register of  
7 wills in matters relating to taxes; and citing certain acts  
8 for repeal," changing the time for renunciation of transfer,  
9 termination of annuity or life estate, filing the return, tax  
10 delinquency date, and payment date.

11 The General Assembly of the Commonwealth of Pennsylvania  
12 hereby enacts as follows:

13 Section 1. Sections 406, 505, 703, 711, subsection (a) of  
14 section 713 and subsection (a) of section 714, act of June 15,  
15 1961 (P.L.373, No.207), known as the "Inheritance and Estate Tax  
16 Act of 1961," amended June 17, 1971 (P.L.171, No.15), are  
17 amended to read:

18 Section 406. Renunciation of Transfer.--When any person  
19 entitled to a distributive share of an estate, whether under an  
20 inter vivos trust, a will, or the intestate law, renounces his  
21 right to receive the distributive share within three (3) months  
22 after the grant of letters, or within [nine (9)] twelve (12)  
23 months after the death of the decedent, whichever first occurs,  
24 receiving therefor no consideration, the tax shall be computed  
25 as though the persons who benefit by such renunciation were  
26 originally designated to be the distributees, conditioned upon  
27 adjudication or decree of distribution expressly confirming  
28 distribution to such distributees. Notice of the filing of the  
29 account and of its call for audit or confirmation shall include  
30 notice to the Department of Revenue. When an unconditional  
31 vesting of a future interest does not occur at the decedent's  
32 death, the renunciation specified herein of the future interest  
33 may be made within three (3) months after the occurrence of the  
34 event or contingency which resolves the vesting of such interest

1 in possession and enjoyment.

2 Section 505. Annuity or Life Estate Terminated Within [Nine  
3 (9)] Twelve (12) Months of Decedent's Death.--If an annuity or a  
4 life estate is terminated by the death of the annuitant or life  
5 tenant or by the happening of a contingency within [nine (9)]  
6 twelve (12) months after the death of the transferor, the value  
7 of the annuity or estate shall be the value, at the date of the  
8 transferor's death, of the amount of the annuity or income  
9 actually paid or payable to the annuitant or life tenant during  
10 the period he was entitled to the annuity or was in possession  
11 of the estate. If an appraisal of an annuity or life estate  
12 has been filed before such termination, the appraisal, and  
13 any assessment based thereon, shall be revised, in accordance  
14 with this section, upon request of any party in interest,  
15 including the Commonwealth and the personal representative,  
16 insofar as such appraisal, and any assessment based thereon,  
17 relates to the valuation of such terminated annuity or life  
18 estate, without the necessity of such party in interest  
19 following any procedure described in Article X. of this act.

20 Section 703. Time for Filing Return.--The returns required  
21 by section 701 shall be filed within [nine (9)] twelve (12)  
22 months after the death of the decedent. At any time prior to the  
23 expiration of such [nine (9)] twelve (12) month period, the  
24 Secretary of Revenue, in his discretion, may grant an extension  
25 of the time for filing of a return for an additional period of  
26 six (6) months.

27 Section 711. Payment Date; In General.--Inheritance tax is  
28 due at the date of the decedent's death and (except as provided  
29 in section 712) shall become delinquent at the expiration of  
30 [nine (9)] twelve (12) months after the decedent's death.

1 Section 713. Payment Date; Future Interest; [Nine (9)]

2 Twelve (12) Months of Decedent's Death; Contingencies.--

3 (a) Payment Within [Nine (9)] Twelve (12) Months of  
4 Decedent's Death. At any time within [nine (9)] twelve (12)  
5 months after the decedent's death, the personal representative  
6 or any party in interest may elect, by a writing filed with the  
7 register, to have the value of a future interest determined as  
8 of the date of decedent's death and to pay the tax assessed  
9 thereon. Such tax shall become delinquent at the expiration of  
10 [nine (9)] twelve (12) months after the decedent's death. If the  
11 future interest is accelerated within [nine (9)] twelve (12)  
12 months of decedent's death because of the occurrence of an event  
13 described in section 505, the value of the future interest shall  
14 be determined by making adjustment for the value of any prior  
15 interest causing such acceleration, computed as provided in  
16 section 505.

17 \* \* \*

18 Section 714. Payment Date; Future Interest; Payment After  
19 [Nine (9)] Twelve (12) Months from Decedent's Death;  
20 Contingencies.--

21 (a) Payment After [Nine (9)] Twelve (12) Months from  
22 Decedent's Death. At any time after [nine (9)] twelve (12)  
23 months from the decedent's death, and prior to the vesting of a  
24 future interest in possession and enjoyment a fiduciary, or any  
25 party in interest, may elect, by a writing filed with the  
26 register, to have the value of a future interest determined as  
27 of the date of the filing of such election and to pay the tax  
28 assessed thereon. Such tax shall become delinquent at the  
29 expiration of three (3) months from the filing of the election.

30 \* \* \*

1       Section 2.   This act shall apply to:

2       (1)   The estates of all decedents dying on or after the  
3   effective date of this act.

4       (2)   Inter vivos transfers made by decedents dying on or  
5   after the effective date of this act regardless of the date of  
6   the transfer.

7       Section 3.   This act shall take effect immediately.