

THE GENERAL ASSEMBLY OF PENNSYLVANIA

# HOUSE BILL

No. 486 Session of  
1997

INTRODUCED BY REINARD, FARGO, BAKER, DENT, HALUSKA, ITKIN,  
BOSCOLA, ROONEY, FAIRCHILD, SEMMEL, LYNCH, TRELLO, WAUGH,  
E. Z. TAYLOR, GEIST, HENNESSEY, DEMPSEY, MARSICO, RAYMOND,  
BROWN, L. I. COHEN, EGOLF, THOMAS, SEYFERT AND C. WILLIAMS,  
FEBRUARY 12, 1997

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 12, 1997

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An  
2 act relating to tax reform and State taxation by codifying  
3 and enumerating certain subjects of taxation and imposing  
4 taxes thereon; providing procedures for the payment,  
5 collection, administration and enforcement thereof; providing  
6 for tax credits in certain cases; conferring powers and  
7 imposing duties upon the Department of Revenue, certain  
8 employers, fiduciaries, individuals, persons, corporations  
9 and other entities; prescribing crimes, offenses and  
10 penalties," further providing for the inheritance tax rate.

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

13 Section 1. Section 2116(a) of the act of March 4, 1971  
14 (P.L.6, No.2), known as the Tax Reform Code of 1971, amended  
15 June 16, 1994 (P.L.279, No.48) and June 30, 1995 (P.L.139,  
16 No.21), is amended to read:

17 Section 2116. Inheritance Tax.--(a) (1) Inheritance tax  
18 upon the transfer of property passing to or for the use of any  
19 of the following shall be at the rate of six per cent:

20 (i) grandfather, grandmother, father, mother and lineal

1 descendants; [or]

2 (ii) wife or widow and husband or widower of a child[.]; or

3 (iii) brother and sister.

4 (1.1) Inheritance tax upon the transfer of property passing  
5 to or for the use of a husband or wife shall be:

6 (i) At the rate of three per cent for estates of decedents  
7 dying on or after July 1, 1994, and before January 1, 1995.

8 (ii) At the rate of zero per cent for estates of decedents  
9 dying on or after January 1, 1995.

10 (2) Inheritance tax upon the transfer of property passing to  
11 or for the use of all persons other than those designated in  
12 subclause (1) or (1.1) or exempt under section 2111(m) shall be  
13 at the rate of fifteen per cent.

14 (3) When property passes to or for the use of a husband and  
15 wife with right of survivorship, one of whom is taxable at a  
16 rate lower than the other, the lower rate of tax shall be  
17 applied to the entire interest.

18 \* \* \*

19 Section 2. This act shall apply to deaths occurring on or  
20 after the effective date of this act.

21 Section 3. This act shall take effect in 30 days.