

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2226 Session of
2000

INTRODUCED BY SEMMEL, BOYES, TRELLO, ADOLPH, ARGALL, BAKER,
BARRAR, BASTIAN, BATTISTO, BEBKO-JONES, BELARDI, BELFANTI,
CHADWICK, CLYMER, L. I. COHEN, CORRIGAN, DAILEY, DALEY,
DeLUCA, EGOLF, FAIRCHILD, FICHTER, FLICK, FORCIER, GEIST,
GEORGE, GODSHALL, GRUCELA, HALUSKA, HARHAI, HARHART, HASAY,
HERSHEY, HESS, HUTCHINSON, JADLOWIEC, LAUGHLIN, LAWLESS, LEH,
LUCYK, LYNCH, MAHER, MAJOR, MANDERINO, MANN, MARKOSEK,
MARSICO, MASLAND, McILHATTAN, McILHINNEY, McNAUGHTON,
METCALFE, MICOZZIE, ORIE, PETRARCA, PIPPY, PLATTS, READSHAW,
ROBERTS, ROSS, RUBLEY, SAMUELSON, SATHER, SAYLOR, SCHRODER,
SCHULER, SCRIMENTI, SEYFERT, SHANER, B. SMITH, SNYDER,
SOLOBAY, STABACK, STAIRS, STERN, STEVENSON, E. Z. TAYLOR,
J. TAYLOR, TRUE, WALKO, WILT, WOJNAROSKI, YOUNGBLOOD,
ZIMMERMAN AND ZUG, FEBRUARY 7, 2000

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 7, 2000

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 inheritance tax.

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:

1 Section 2116. Inheritance Tax.--(a) (1) Inheritance tax
2 upon the transfer of property passing to or for the use of any
3 of the following shall be at the rate of six per cent for the
4 estate of a decedent dying before or on December 31, 1999, at a
5 rate of five per cent for a decedent dying on or after January
6 1, 2000, and before January 1, 2001, at a rate of four per cent
7 for a decedent dying on or after January 1, 2001, and before
8 January 1, 2002, at a rate of three per cent for a decedent
9 dying on or after January 1, 2002, and before January 1, 2004,
10 at a rate of two per cent for a decedent dying on or after
11 January 1, 2003, and before January 1, 2004, at a rate of one
12 per cent for a decedent dying on or after January 1, 2004, and
13 before January 1, 2005, and at a rate of zero per cent for a
14 decedent dying on or after January 1, 2005:

15 (i) grandfather, grandmother, father, mother and lineal
16 descendants; or

17 (ii) wife or widow and husband or widower of a child.

18 (1.1) Inheritance tax upon the transfer of property passing
19 to or for the use of a husband or wife shall be:

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

22 (ii) At a rate of zero per cent for estates of decedents
23 dying on or after January 1, 1995.

24 (2) Inheritance tax upon the transfer of property passing to
25 or for the use of all persons other than those designated in
26 subclause (1) or (1.1) or exempt under section 2111(m) shall be
27 at the rate of fifteen per cent for the estate of a decedent
28 dying on or before December 31, 2000, at a rate of twelve per
29 cent for a decedent dying on or after January 1, 2001, and
30 before January 1, 2002, at a rate of nine per cent for a

1 decedent dying on or after January 1, 2002, and before January
2 1, 2003, at a rate of six per cent for a decedent dying on or
3 after January 1, 2003, and before January 1, 2004, at a rate of
4 three per cent for a decedent dying on or after January 1, 2004,
5 and before January 1, 2005, and at a rate of zero per cent for a
6 decedent dying on or after January 1, 2005.

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

11 * * *

12 Section 2. This act shall take effect immediately.