

## AMENDMENTS TO HOUSE BILL NO. 377

Sponsor: REPRESENTATIVE PERRY

Printer's No. 2849

1 Amend Title, page 1, line 11, by removing the period after  
2 "poverty" and inserting  
3 ; and phasing out inheritance and estate tax  
4 provisions.

5 Amend Bill, page 2, by inserting between lines 26 and 27

6 Section 2. Section 2106 of the act, added August 4, 1991  
7 (P.L.97, No.22), is amended to read:

8 Section 2106. Imposition of Tax.--(a) An inheritance tax  
9 for the use of the Commonwealth is imposed upon every transfer  
10 subject to tax under this article at the rates specified in  
11 section 2116.

12 (b) This section shall not apply to the estates of decedents  
13 dying on or after January 1, 2012.

14 Section 3. Section 2116(a) of the act, amended May 24, 2000  
15 (P.L.106, No.23), is amended to read:

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

20 (i) grandfather, grandmother, father, mother, except  
21 transfers under subclause (1.2), and lineal descendants; or  
22 (ii) wife or widow and husband or widower of a child.] a  
23 grandfather, grandmother, father, mother, except transfers under  
24 subclause (1.2), lineal descendants, wife or widow and husband  
25 or widower of a child shall be at the rate provided in the  
26 following schedule:

27 (i) Four and one-half per cent for the estate of a decedent  
28 dying before or during calendar year 2009.

29 (ii) Two per cent for the estate of a decedent dying during  
30 calendar year 2010.

31 (iii) Zero per cent for the estate of a decedent dying  
32 during or after calendar year 2011.

33 (1.1) Inheritance tax upon the transfer of property passing  
34 to or for the use of a husband or wife shall be:

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

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

39 (1.2) Inheritance tax upon the transfer of property from a  
40 child twenty-one years of age or younger to or for the use of a

1 natural parent, an adoptive parent or a stepparent of the child  
2 shall be at the rate of zero per cent.

3 (1.3) Inheritance tax upon the transfer of property passing  
4 to or for the use of a sibling shall be at the rate [of twelve  
5 per cent.] provided in the following schedule:

6 (i) Twelve per cent for the estate of a decedent dying  
7 before or during calendar year 2007.

8 (ii) Nine per cent for the estate of a decedent dying during  
9 calendar year 2008.

10 (iii) Six per cent for the estate of a decedent dying during  
11 calendar year 2009.

12 (iv) Four and one-half per cent for the estate of a decedent  
13 dying during calendar year 2010.

14 (v) Two per cent for the estate of a decedent dying during  
15 calendar year 2011.

16 (vi) Zero per cent for the estate of a decedent dying during  
17 or after calendar year 2012.

18 (1.4) Inheritance tax upon the transfer of property that is  
19 jointly held between a child and a natural parent, an adoptive  
20 parent or a stepparent of the child to the natural parent,  
21 adoptive parent or the stepparent shall be at the rate of zero  
22 per cent.

23 (2) Inheritance tax upon the transfer of property passing to  
24 or for the use of all persons other than those designated in  
25 subclause (1), (1.1), (1.2) or (1.3) or exempt under section  
26 2111(m) shall be at the rate [of fifteen per cent.] provided in  
27 the following schedule:

28 (i) Fifteen per cent for the estate of a decedent dying  
29 before or during calendar year 2007.

30 (ii) Ten per cent for the estate of a decedent dying during  
31 calendar year 2008.

32 (iii) Seven per cent for the estate of a decedent dying  
33 during calendar year 2009.

34 (iv) Four and one-half per cent for the estate of a decedent  
35 dying during calendar year 2010.

36 (v) Two per cent for the estate of a decedent dying during  
37 calendar year 2011.

38 (vi) Zero per cent for the estate of a decedent dying during  
39 or after calendar year 2012.

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

44 \* \* \*

45 Section 4. Section 2117 of the act is amended by adding a  
46 subsection to read:

47 Section 2117. Estate Tax.--\* \* \*

48 (d) This section shall not apply to the estates of decedents  
49 dying on or after January 1, 2012.

50 Amend Sec. 2, page 2, line 27, by striking out "2" and  
51 inserting