

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 185 Session of 1999

INTRODUCED BY HART, WENGER, CONTI, CORMAN, COSTA, MUSTO, WHITE, BELL, PUNT, ARMSTRONG, LAVALLE, THOMPSON, SLOCUM, WAUGH AND ROBBINS, JANUARY 21, 1999

REFERRED TO FINANCE, JANUARY 21, 1999

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
21 descendants; [or]

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

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

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

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

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

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

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

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