

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 341 Session of
1999

INTRODUCED BY MAITLAND, HERSHEY, S. MILLER, E. Z. TAYLOR,
BELARDI, EGOLF, MASLAND, NAILOR, SATHER, SEYFERT, STERN,
THOMAS AND ROSS, FEBRUARY 8, 1999

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 8, 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," exempting transfers of certain farmland from
11 inheritance tax.

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

14 Section 1. Section 2111 of the act of March 4, 1971 (P.L.6,
15 No.2), known as the Tax Reform Code of 1971, is amended by
16 adding a subsection to read:

17 Section 2111. Transfers Not Subject to Tax.--* * *

18 (s) (1) Transfers of any property subject to valuation
19 under section 2122 to or from a member of the same family so
20 long as that property remains in the use valued under section
21 2122 for a period of seven consecutive years from the day of
22 death of the decedent.

1 (2) Whenever the use of any property exempt from taxation
2 under this subsection changes within the seven-year period, the
3 property shall be subject to tax as provided in section 2122(c).

4 (3) For purposes of this subsection, the phrase "members of
5 the same family" means any individual, such individual's
6 brothers and sisters, the brothers and sisters of such
7 individual's parents and grandparents, the ancestors and lineal
8 descendents of any of the foregoing, a spouse of any of the
9 foregoing and the estate of any of the foregoing. Individuals
10 related by the half blood or legal adoption shall be treated as
11 if they were related by the whole blood.

12 Section 2. This act shall apply to the estates of decedents
13 dying on or after the effective date of this act.

14 Section 3. This act shall take effect July 1, 1999.