

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 342 Session of 2019

INTRODUCED BY STEFANO, BROWNE, MENSCH, ALLOWAY, K. WARD, COSTA, AUMENT, BAKER, BREWSTER, BROOKS, DINNIMAN, DiSANTO, FOLMER, FONTANA, LANGERHOLC, MARTIN, PHILLIPS-HILL, J. WARD, WHITE AND YUDICHAK, FEBRUARY 27, 2019

REFERRED TO FINANCE, FEBRUARY 27, 2019

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," in inheritance tax, further providing for
11 inheritance tax.

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

14 Section 1. Section 2116(a)(1) and (2) of the act of March 4,
15 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, are
16 amended and the clause is amended by adding a subclause 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 four and one-half per
20 cent:

21 (i) grandfather, grandmother, father, mother, except

1 transfers under subclause (1.2), and lineal descendants, except
2 transfers under subclause (1.4); or

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

4 * * *

5 (1.4) Inheritance tax upon the transfer of property to or
6 for the use of a child twenty-one years of age or younger from a
7 natural parent, an adoptive parent or a stepparent of the child
8 shall be at the rate of zero per cent.

9 (2) Inheritance tax upon the transfer of property passing to
10 or for the use of all persons other than those designated in
11 subclause (1), (1.1), (1.2) [~~or~~], (1.3) or (1.4) or exempt under
12 section 2111(m) shall be at the rate of fifteen per cent.

13 * * *

14 Section 2. The amendment or addition of section 2116(a) (1.4)
15 and (2) of the act shall apply to property transferred by a
16 natural parent, an adoptive parent or a stepparent who dies on
17 or after the effective date of this section.

18 Section 3. This act shall take effect in 60 days.