



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 48

PRINTERS NO. 530

PRIME SPONSOR: Bloom

REVENUE INCREASE / (DECREASE)

FUND	FY 2012/13	FY 2013/14
General Fund	\$0	(\$3,800,000)

SUMMARY: House Bill 48, Printer's Number 530, amends the Tax Reform Code further providing in inheritance tax for transfers not subject to tax.

ANALYSIS: This legislation provides an exemption from the inheritance tax relating to the transfer of a family-owned business to a member of the same family. Specifically, the transfer of all business assets, including real estate, between members of the same family shall not be subject to inheritance tax providing that all assets, including real estate, remain devoted to the same business for a period of 5 years following the date of death. If an asset that was exempt is no longer devoted to the same business within the 5 year period, the asset shall be subject to inheritance tax in the amount that would have been paid plus interest accruing as of the date of death.

The act takes effect in 60 days and applies to the estates of decedents dying after June 30, 2013.

FISCAL IMPACT: Enactment of this legislation is estimated to reduce General Fund revenues by \$3.8 million in fiscal year 2013-14.

PREPARED BY: Ritchie LaFaver
House Appropriations Committee (R)

DATE: June 22, 2013

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.