



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 291 PRINTERS NO. 285 PRIME SPONSOR: Metzgar

REVENUE INCREASE / (DECREASE)

FUND	FY 2016/17	FY 2017/18
General Fund	\$0	(\$6,700,000)

SUMMARY:

House Bill 291, Printer's Number 285 amends the Section 2116 of the Tax Reform Code of 1971 by providing for an exemption from the inheritance tax.

ANALYSIS:

HB 291 amends the Tax Reform Code by providing for an exemption from the inheritance tax for a transfer of property to or for the use of a child twenty-one years of age or younger, from a natural parent, adoptive parent or stepparent.

This legislation will be effective in 60 days and applies to property transferred by a decedent who dies on or after the effective date.

FISCAL IMPACT:

Assuming the legislation takes effect for decedents dying on or after July 1, 2017, enactment of this legislation will have no adverse fiscal impact on Commonwealth Funds in 2016-17. Enactment of this exemption for transfers to a child twenty-one or younger will result in an estimated decrease in revenue of \$6.7 million in Fiscal Year 2017-18.

PREPARED BY: Jenny P. Stratton
House Appropriations Committee (R)

DATE: April 4, 2017

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