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**Senate of Pennsylvania**

**RICHARD ALLOWAY, II**  
**SENATOR**

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TO: All Senators

FROM: Richard Alloway II *Rich*

Date: December 29, 2010

**SUBJECT: Co-Sponsorship Memo: Phasing out of the PA Inheritance Tax**

I plan to reintroduce SB 80 of 2009. The intention of this legislation is to phase out the Pennsylvania Inheritance Tax by 2018. This would be done in a series of phases:

- This legislation would phase out the 4.5% rate that direct descendents (or children) pay by 2013.
- This legislation would also phase out the 12% rate that siblings pay by 2016.
- The 15% rate for other heirs would be phased by 2018.

Pennsylvania is one of the few states that still implement the Inheritance Tax (other states include Indiana, Iowa, Kentucky, Maryland, Nebraska, New Jersey, and Tennessee).

The Pennsylvania Inheritance Tax is an extremely burdensome tax especially to family farms and small business owners.

This bill was previously sponsored by the following Senators: Alloway, Ward, Tomlinson, Robbins, Folmer, Waugh, Vogel, Brubaker, McIlhinney, Earll, Erickson, Greenleaf, Piccola, Orié, Scarnati, Wozniak, Pippy, D. White, Yaw, Boscola, Ferlo and Washington.

Please join me in co-sponsoring this legislation by contacting Melissa Knepper of my staff at 772-2929 or [mknepner@pasen.gov](mailto:mknepner@pasen.gov).