

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 624 Session of
2005

INTRODUCED BY KASUNIC, LOGAN, COSTA, LAVALLE, MUSTO, BOSCOLA,
TARTAGLIONE, KITCHEN, M. WHITE, STACK AND RHOADES,
APRIL 18, 2005

REFERRED TO FINANCE, APRIL 18, 2005

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," further providing for joint tenancy.

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

13 Section 1. Section 2108 of the act of March 4, 1971 (P.L.6,
14 No.2), known as the Tax Reform Code of 1971, amended or added
15 August 4, 1991 (P.L.97, No.22) and June 30, 1995 (P.L.139,
16 No.21), is amended to read:

17 Section 2108. Joint Tenancy.--(a) When any property is held
18 in the names of two or more persons or is deposited in a
19 financial institution in the names of two or more persons so
20 that, upon the death of one of them, the survivor or survivors
21 have a right to the immediate ownership or possession and

1 enjoyment of the whole property, the accrual of such right, upon
2 the death of one of them, shall be deemed a transfer subject to
3 tax of a fractional portion of such property to be determined by
4 dividing the value of the whole property by the number of joint
5 tenants in existence immediately preceding the death of the
6 deceased joint tenant.

7 (b) (1) Except as provided in subsection (c), this section
8 shall not apply to property or interests in property passing by
9 right of survivorship to the survivor of husband and wife.

10 (2) Notwithstanding the provisions of subsection (c), this
11 section shall not apply to any property interest in a joint
12 account deposited in a financial institution passing by right of
13 survivorship to the survivor who funded the entire account.

14 (c) If the co-ownership was created within one year prior to
15 the death of the co-tenant, the entire interest transferred
16 shall be subject to tax only under, and to the extent stated in,
17 subsection (c)(3) of section 2107 as though a part of the estate
18 of the person who created the co-ownership.

19 Section 2. This act shall apply to estates of decedents
20 dying on or after January 1, 2005, without regard to the date of
21 transfer.

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