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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 191

Session of  
1971

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INTRODUCED BY MESSRS. FINEMAN, IRVIS, ENGLEHART,  
PRENDERGAST, BERKES, PIEVSKY, MRS. ANDERSON AND MRS. KELLY,  
FEBRUARY 2, 1971

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REFERRED TO COMMITTEE ON WAYS AND MEANS, FEBRUARY 2, 1971

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AN ACT

1 Amending the act of June 15, 1961 (P.L.373), entitled "An act  
2 providing for the imposition of certain taxes upon the  
3 transfer of property passing from a decedent who was a  
4 resident of the Commonwealth at the time of his death or  
5 presumed death and of property having its situs in the  
6 Commonwealth of a decedent who was a nonresident of the  
7 Commonwealth at the time of his death or presumed death;  
8 imposing additional taxes to equal Federal Estate Tax  
9 Credits; defining and taxing certain transfers made in  
10 contemplation of death, or to take effect in possession or  
11 enjoyment at or after death; defining as a transfer and  
12 taxing the right of survivorship in certain property as to  
13 which such right exists; defining and exempting from tax,  
14 transfers to certain persons or for certain purposes or of  
15 certain property; providing for the valuation of property and  
16 interests in property, the transfer of which is subject to  
17 tax; defining and allowing deductions from the value of  
18 property, the transfer of which is subject to tax; providing  
19 for the persons ultimately liable for taxes in the absence of  
20 a direction by the decedent to the contrary; providing for  
21 the reporting of transfers and collection of taxes; imposing  
22 penalties upon banks or other financial institutions for  
23 failure to give notice to the Department of Revenue of the  
24 death of a party to a joint or trust deposit therein and upon  
25 persons who fail to file tax returns and documents; providing  
26 for the compromise of taxes in the case of alleged  
27 nonresidents of the Commonwealth; making it unlawful for any  
28 person to make a false return or report; providing for liens  
29 upon real property, the transfer of which is subject to tax,  
30 and release thereof; authorizing the Secretary of Revenue to  
31 bring suits in other jurisdictions for the collection of  
32 taxes, and authorizing officials of other jurisdictions to  
33 bring suits in the Commonwealth for the collection of death

1 taxes imposed by their jurisdictions; providing for the  
2 refund of taxes to which the Commonwealth is not rightfully  
3 or equitably entitled; providing for appeals and protests  
4 from the imposition of taxes; regulating the entry into safe  
5 deposit boxes of a decedent by certain persons, and providing  
6 penalties; dealing with the jurisdiction, powers and  
7 procedure of the orphans' court, Secretary of Revenue,  
8 Department of Revenue, Attorney General, and register of  
9 wills in matters relating to taxes; and citing certain acts  
10 for repeal," changing the time for renunciation of transfer,  
11 termination of annuity or life estate, filing the return, tax  
12 delinquency date, and payment date.

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

15 Section 1. Sections 406, 505, 703, 711, subsection (a) of  
16 section 713 and subsection (a) of section 714, act of June 15,  
17 1961 (P.L.373), known as the "Inheritance and Estate Tax Act of  
18 1961," amended December 22, 1965 (P.L.1205), are amended to  
19 read:

20 Section 406. Renunciation of Transfer.--When any person  
21 entitled to a distributive share of an estate, whether under an  
22 inter vivos trust, a will, or the intestate law, renounces his  
23 right to receive the distributive share within three (3) months  
24 after the grant of letters, or within [fifteen (15)] nine (9)  
25 months after the death of the decedent, whichever first occurs,  
26 receiving therefor no consideration, the tax shall be computed  
27 as though the persons who benefit by such renunciation were  
28 originally designated to be the distributees, conditioned upon  
29 adjudication or decree of distribution expressly confirming  
30 distribution to such distributees. Notice of the filing of the  
31 account and of its call for audit or confirmation shall include  
32 notice to the Department of Revenue. When an unconditional  
33 vesting of a future interest does not occur at the decedent's  
34 death, the renunciation specified herein of the future interest  
35 may be made within three (3) months after the occurrence of the

1 event or contingency which resolves the vesting of such interest  
2 in possession and enjoyment.

3 Section 505. Annuity or Life Estate Terminated Within  
4 [Fifteen (15)] Nine (9) Months of Decedent's Death.--If an  
5 annuity or a life estate is terminated by the death of the  
6 annuitant or life tenant or by the happening of a contingency  
7 within [fifteen (15)] nine (9) months after the death of the  
8 transferor, the value of the annuity or estate shall be the  
9 value, at the date of the transferor's death, of the amount of  
10 the annuity or income actually paid or payable to the annuitant  
11 or life tenant during the period he was entitled to the annuity  
12 or was in possession of the estate. If an appraisement of an  
13 annuity or life estate has been filed before such termination,  
14 the appraisement, and any assessment based thereon, shall be  
15 revised, in accordance with this section, upon request of any  
16 party in interest, including the Commonwealth and the personal  
17 representative, insofar as such appriasegment, and any assessment  
18 based thereon, relates to the valuation of such terminated  
19 annuity or life estate, without the necessity of such party in  
20 interest following any procedure described in Article X. of this  
21 act.

22 Section 703. Time for Filing Return.--The returns required  
23 by section 701 shall be filed within [fifteen (15)] nine (9)  
24 months after the death of the decedent. At any time prior to the  
25 expiration of such [fifteen (15)] nine (9) month period, the  
26 Secretary of Revenue, in his discretion, may grant an extension  
27 of the time for filing of a return for an additional period of  
28 six (6) months.

29 Section 711. Payment Date; In General.--Inheritance tax is  
30 due at the date of the decedent's death and (except as provided

1 in section 712) shall become delinquent at the expiration of  
2 [fifteen (15)] nine (9) months after the decedent's death.

3 Section 713. Payment Date; Future Interest; [Fifteen (15)]  
4 Nine (9) Months of Decedent's Death; Contingencies.--

5 (a) Payment Within [Fifteen (15)] Nine (9) Months of  
6 Decedents's Death. At any time within [fifteen (15)] nine (9)  
7 months after the decedent's death, the personal representative  
8 or any party in interest may elect, by a writing filed with the  
9 register, to have the value of a future interest determined as  
10 of the date of decedent's death and to pay the tax assessed  
11 thereon. Such tax shall become delinquent at the expiration of  
12 [fifteen (15)] nine (9) months after the decedent's death. If  
13 the future interest is accelerated within [fifteen (15)] nine  
14 (9) months of decedent's death because of the occurrence of an  
15 event described in section 505, the value of the future interest  
16 shall be determined by making adjustment for the value of any  
17 prior interest causing such acceleration, computed as provided  
18 in section 505.

19 \* \* \*

20 Section 714. Payment Date; Future Interest; Payment After  
21 [Fifteen (15)] Nine (9) Months from Decedent's Death;  
22 Contingencies.--

23 (a) Payment After [Fifteen (15)] Nine (9) Months from  
24 Decedent's Death. At any time after [fifteen (15)] nine (9)  
25 months from the decedent's death, and prior to the vesting of a  
26 future interest in possession and enjoyment a fiduciary, or any  
27 party in interest, may elect, by a writing filed with the  
28 register, to have the value of a future interest determined as  
29 of the date of the filing of such election and to pay the tax  
30 assessed thereon. Such tax shall become delinquent at the

1 expiration of three (3) months from the filing of the election.

2 \* \* \*

3 Section 2. This act shall take effect immediately and shall  
4 apply to:

5 (1) The estates of all decedents dying on or after the  
6 effective date of this act;

7 (2) Inter vivos transfers made by decedents dying on or  
8 after the effective date of this act regardless of the date of  
9 the transfer.

10 Existing laws shall remain in full force and effect for the  
11 estates of all decedents dying before the effective date of this  
12 act.