

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 6

Session of
2000

INTRODUCED BY HART, WOZNIAK, TILGHMAN, LOEPER, JUBELIRER, CONTI,
COSTA, CORMAN, HELFRICK, DENT, LEMMOND, MUSTO, WAGNER, EARLL,
WHITE, THOMPSON, HOLL, WAUGH, ARMSTRONG, KUKOVICH, GERLACH,
MADIGAN, PICCOLA, LAVALLE, SLOCUM, SALVATORE, WENGER, MOWERY,
ROBBINS, RHOADES, STOUT, SCHWARTZ, BELL, O'PAKE, MURPHY,
MELLOW, TOMLINSON AND KASUNIC, MARCH 20, 2000

REFERRED TO FINANCE, MARCH 20, 2000

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 exemptions from and for the
11 rate of inheritance taxes.

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

14 Section 1. Section 2111 of the act of March 4, 1971 (P.L.6,
15 No.2), known as the Tax Reform Code of 1971, is amended by
16 adding a subsection to read:

17 Section 2111. Transfers Not Subject to Tax.--* * *

18 (s) Transfers of property from a child to the parent of the
19 child.

20 Section 2. Section 2116(a) of the act, amended June 16, 1994

1 (P.L.279, No.48), is amended to read:

2 Section 2116. Inheritance Tax.--(a) (1) Inheritance tax
3 upon the transfer of property passing to or for the use of any
4 of the following shall be at the rate of [six] five per cent:

5 (i) grandfather, grandmother[, father, mother] and lineal
6 descendants; or

7 (ii) wife or widow and husband or widower of a child.

8 (1.1) Inheritance tax upon the transfer of property passing
9 to or for the use of a husband or wife shall be:

10 (i) At the rate of three per cent for estates of decedents
11 dying on or after July 1, 1994, and before January 1, 1995.

12 (ii) At a rate of zero per cent for estates of decedents
13 dying on or after January 1, 1995.

14 (2) Inheritance tax upon the transfer of property passing to
15 or for the use of all persons other than those designated in
16 subclause (1) or (1.1) or exempt under section 2111(m) shall be
17 at the rate of [fifteen] twelve per cent.

18 (3) When property passes to or for the use of a husband and
19 wife with right of survivorship, one of whom is taxable at a
20 rate lower than the other, the lower rate of tax shall be
21 applied to the entire interest.

22 * * *

23 Section 3. This act shall take effect July 1, 2000, or
24 immediately, which is later.