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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 1201 Session of  
2011

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INTRODUCED BY FOLMER, WASHINGTON, ERICKSON, HUGHES, VANCE,  
RAFFERTY, D. WHITE, MENSCH, ROBBINS, PICCOLA, SCARNATI,  
M. WHITE, BOSCOLA, FARNESE, BROWNE, WOZNIAK AND FERLO,  
AUGUST 2, 2011

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REFERRED TO FINANCE, AUGUST 2, 2011

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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 the definition of "child  
11 with a disability"; and providing for inheritance tax.

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

14 Section 1. Section 2102 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 definition to read:

17 Section 2102. Definitions.--The following words, terms and  
18 phrases, when used in this article, shall have the meanings  
19 ascribed to them in this section, except where the context  
20 clearly indicates a different meaning:

21 \* \* \*

1       "Child with a disability." A child who is:

2       (1) under eighteen years of age at the time of the transfer  
3 and has a medically determinable physical or mental impairment  
4 or combination of impairments that cause marked and severe  
5 functional limitations and which can be expected to result in  
6 death or which impairment has lasted or can be expected to last  
7 for a continuous period of not less than twelve months; or

8       (2) eighteen years of age or older at the time of the  
9 transfer and for whom onset of disability occurred before  
10 twenty-two years of age and has the inability to engage in any  
11 substantial gainful activity by reason of any medically  
12 determinable physical or mental impairment which can be expected  
13 to result in death or which has lasted or can be expected to  
14 last for a continuous period of not less than twelve months.

15       \* \* \*

16       Section 2. Section 2116(a) of the act is amended by adding a  
17 clause to read:

18       Section 2116. Inheritance Tax.--(a) \* \* \*

19       (1.4) Inheritance tax upon the transfer of property to a  
20 child with a disability from a natural parent, an adoptive  
21 parent or a stepparent of the child shall be at the rate of zero  
22 per cent.

23       \* \* \*

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