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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 598 Session of  
2017

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INTRODUCED BY STEFANO, HUTCHINSON, MENSCH, BAKER, FOLMER,  
RAFFERTY, VOGEL, WARD, VULAKOVICH, WAGNER, AUMENT,  
BARTOLOTTA, RESCHENTHALER, LANGERHOLC, MARTIN, DiSANTO,  
COSTA, YUDICHAK, SCHWANK AND BREWSTER, APRIL 13, 2017

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REFERRED TO FINANCE, APRIL 13, 2017

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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," in inheritance tax, further providing for  
11 inheritance tax.

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

14 Section 1. Section 2116(a)(1) and (2) of the act of March 4,  
15 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, are  
16 amended and the clause is amended by adding a subclause to read:

17 Section 2116. Inheritance Tax.--(a) (1) Inheritance tax  
18 upon the transfer of property passing to or for the use of any  
19 of the following shall be at the rate of four and one-half per  
20 cent:

21 (i) grandfather, grandmother, father, mother, except

1 transfers under subclause (1.2), and lineal descendants, except  
2 transfers under subclause (1.4); or

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

4 \* \* \*

5 (1.4) Inheritance tax upon the transfer of property to or  
6 for the use of a child twenty-one years of age or younger from a  
7 natural parent, an adoptive parent or a stepparent of the child  
8 shall be at the rate of zero per cent.

9 (2) Inheritance tax upon the transfer of property passing to  
10 or for the use of all persons other than those designated in  
11 subclause (1), (1.1), (1.2) [or], (1.3) or (1.4) or exempt under  
12 section 2111(m) shall be at the rate of fifteen per cent.

13 \* \* \*

14 Section 2. The amendment or addition of section 2116(a)(1.4)  
15 and (2) of the act shall apply to property transferred by a  
16 natural parent, an adoptive parent or a stepparent who dies on  
17 or after the effective date of this section.

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