

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 77 Session of 2023

INTRODUCED BY BROOKS, GEBHARD, MARTIN, DiSANTO, STEFANO, COSTA, BREWSTER, J. WARD, MASTRIANO AND BAKER, JANUARY 19, 2023

REFERRED TO FINANCE, JANUARY 19, 2023

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 expenses.

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

14 Section 1. Section 2127 of the act of March 4, 1971 (P.L.6,
 15 No.2), known as the Tax Reform Code of 1971, is amended to read:

16 Section 2127. Expenses.--The following expenses may be
 17 deducted from the value of the property transferred:

18 (1) Administration expenses. All reasonable expenses of
 19 administration of the decedent's estate and of the assets
 20 includable in the decedent's taxable estate are deductible.

21 (2) Bequest to fiduciary or attorney in lieu of fees. A
 22 transfer to an executor, trustee or attorney in lieu of

1 compensation for services is deductible to the extent it does
2 not exceed reasonable compensation for the services to be
3 performed.

4 (3) Family exemption. The family exemption is deductible.
5 For purposes of this article, a family exemption not exceeding
6 one hundred thousand dollars (\$100,000) may be deducted from the
7 value of the property transferred if the exemption is claimed by
8 a member of the same family.

9 (4) Funeral and burial expenses. Reasonable and customary
10 funeral expenses, including the cost of a family burial lot or
11 other resting place, are deductible.

12 (5) Tombstones and gravemarkers. Reasonable and customary
13 expenses for the purchase and erection of a monument, gravestone
14 or marker on decedent's burial lot or final resting place are
15 deductible.

16 (6) Burial trusts or contracts. Bequests or devises in
17 trust, or funds placed in trust after decedent's death or funds
18 paid under a contract after decedent's death, in reasonable
19 amounts, to the extent that the funds or income from the funds
20 is to be applied to the care and preservation of the family
21 burial lot or other final resting place in which the decedent is
22 buried or the remains of the decedent repose and the structure
23 on the burial lot or other final resting place, are deductible.

24 (7) Bequests for religious services. Bequests in reasonable
25 amounts for the performance or celebration of religious rites,
26 rituals, services or ceremonies, in consequence of the death of
27 the decedent, shall be deductible.

28 Section 2. The amendment of section 2127 of the act shall
29 apply to the value of property transferred after June 30, 2023.

30 Section 3. This act shall take effect immediately.