

HB 1920 - H AMD 449

By Representative Condotta

SCOPE AND OBJECT 04/16/2013

1 On page 2, line 19, after "The" strike "following"

2 On page 3, beginning on line 11, after "code" strike all material
3 through "property" on line 13

4 On page 3, beginning on line 20, strike all of subsection (13) and
5 insert the following:

6 "(13)(a) "Washington taxable estate" means the federal taxable
7 estate, less: ((+a)) (i) One million five hundred thousand dollars
8 for decedents dying before January 1, 2006; and ((+b)) (ii) two
9 million dollars for decedents dying on or after January 1, 2006; and
10 ((+c)) (iii) the amount of any deduction allowed under RCW 83.100.046;
11 ((and))

12 (b) Beginning in calendar year 2014 and through calendar year 2016,
13 the amount specified in (a)(ii) of this subsection must be increased by
14 an additional one million dollars each year."

15 Beginning on page 4, line 1, strike all of sections 3 through 9 and
16 insert the following:

17 "**Sec. 3.** RCW 83.100.040 and 2010 c 106 s 234 are each amended to
18 read as follows:

19 (1) Until January 1, 2017, a tax in an amount computed as provided
20 in this section is imposed on every transfer of property located in
21 Washington. For the purposes of this section, any intangible property
22 owned by a resident is located in Washington. The tax authorized under
23 this subsection (1) may not be imposed on or after January 1, 2017.

24 (2)(a) Except as provided in (b) of this subsection, the amount of

1 tax is the amount provided in the following table:

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If Washington Taxable		The amount of Tax Equals		Of Washington
Estate is at least	But Less Than	Initial Tax Amount	Plus Tax Rate %	Taxable Estate Value
5 \$0	\$1,000,000	\$0	10.00%	\$0
6 \$1,000,000	\$2,000,000	\$100,000	14.00%	\$1,000,000
7 \$2,000,000	\$3,000,000	\$240,000	15.00%	\$2,000,000
8 \$3,000,000	\$4,000,000	\$390,000	16.00%	\$3,000,000
9 \$4,000,000	\$6,000,000	\$550,000	17.00%	\$4,000,000
10 \$6,000,000	\$7,000,000	\$890,000	18.00%	\$6,000,000
11 \$7,000,000	\$9,000,000	\$1,070,000	18.50%	\$7,000,000
12 \$9,000,000		\$1,440,000	19.00%	\$9,000,000

13

14

15 (b) If any property in the decedent's estate is located outside of
16 Washington, the amount of tax is the amount determined in (a) of this
17 subsection multiplied by a fraction. The numerator of the fraction is
18 the value of the property located in Washington. The denominator of
19 the fraction is the value of the decedent's gross estate. Property
20 qualifying for a deduction under RCW 83.100.046 must be excluded from
21 the numerator and denominator of the fraction.

22 (3) The tax imposed under this section is a stand-alone estate tax
23 that incorporates only those provisions of the internal revenue code as
24 amended or renumbered as of January 1, 2005, that do not conflict with
25 the provisions of this chapter. The tax imposed under this chapter is
26 independent of any federal estate tax obligation and is not affected by
27 termination of the federal estate tax."

28 Correct the title.

EFFECT: Phases out the Washington estate tax by increasing the
exclusion amount by \$1 million over 3 years, with complete termination
of the tax in calendar year 2017.

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