

**SB 5939-S - DIGEST**

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Reinstates the legislature's intended meaning when it enacted the estate tax; and restores parity between married couples and unmarried individuals and between QTIP property and other property eligible for the marital deduction.

Prevents the adverse fiscal impacts of the *Bracken* decision by reaffirming its intent that the term "transfer" as used in the Washington estate and transfer tax is to be given its broadest possible meaning consistent with established United States supreme court precedents, subject only to the limits and exceptions expressly provided by the legislature.

Finds that the state's estate tax burdens family owned businesses, undermines job creation, and discourages savings and investment.

Increases the threshold for determining whether the tax applies to an estate and decreases the tax rate to seventy-five percent of current rates by calendar year 2022.