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SENATE BILL 6095

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State of Washington                      60th Legislature                      2007 Regular Session

By Senators Rasmussen and Schoesler

Read first time 02/21/2007. Referred to Committee on Ways & Means.

1            AN ACT Relating to estate tax deductions for certain property held  
2 by qualified family-owned businesses; and adding a new section to  
3 chapter 83.100 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5            NEW SECTION.    **Sec. 1.** A new section is added to chapter 83.100 RCW  
6 to read as follows:

7            For the purposes of determining the Washington taxable estate, a  
8 deduction is allowed from the federal taxable estate for the value of  
9 qualified family-owned business interests of the decedent. This  
10 deduction applies only if the qualified family-owned business interest  
11 is acquired by any qualified heir from, or passed to any qualified heir  
12 from, the decedent, within the meaning of RCW 83.100.046(2) and the  
13 decedent was at the time of his or her death a citizen or resident of  
14 the United States. Only property in the federal taxable estate and not  
15 deductible under RCW 83.100.046 may be deducted under this section.  
16 For the purposes of determining the deduction amount, the value of  
17 property is its value as used to determine the value of the gross  
18 estate. For purposes of this section, the following definitions apply:

1           (1) "Qualified family-owned business interest" has the same meaning  
2 as in 26 U.S.C. Sec. 2057(e) of the federal internal revenue code as it  
3 exists on January 1, 2003.

4           (2) "Qualified heir" has the same meaning as in 26 U.S.C. Sec.  
5 2057(i) of the federal internal revenue code as it exists on January 1,  
6 2003.

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