
HOUSE BILL 2019

State of Washington

69th Legislature

2025 Regular Session

By Representatives Street and Walen

1 AN ACT Relating to making the estate tax more progressive;
2 amending RCW 83.100.040; reenacting and amending RCW 83.100.020;
3 creating new sections; and declaring an emergency.

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

5 **Sec. 1.** RCW 83.100.020 and 2013 2nd sp.s. c 2 s 2 are each
6 reenacted and amended to read as follows:

7 The definitions in this section apply throughout this chapter
8 unless the context clearly requires otherwise.

9 (1)(a) The "applicable exclusion amount" for the decedent's
10 estate is the applicable exclusion amount in effect as of the date of
11 the decedent's death. "Applicable exclusion amount" means:

12 (i) ~~((One million five hundred thousand dollars))~~ \$1,500,000 for
13 decedents dying before January 1, 2006;

14 (ii) ~~((Two million dollars))~~ \$2,000,000 for estates of decedents
15 dying on or after January 1, 2006, and before January 1, 2014;
16 ((and))

17 (iii) \$2,012,000 for estates of decedents dying on or after
18 January 1, 2014, and before January 1, 2015;

19 (iv) \$2,054,000 for estates of decedents dying on or after
20 January 1, 2015, and before January 1, 2016;

1 (v) \$2,079,000 for estates of decedents dying on or after January
2 1, 2016, but before January 1, 2017;

3 (vi) \$2,129,000 for estates of decedents dying on or after
4 January 1, 2017, but before January 1, 2018;

5 (vii) \$2,193,000 for estates of decedents dying on or after
6 January 1, 2018, but before January 1, 2025;

7 (viii) \$3,000,000 for estates of decedents dying on or after
8 January 1, 2025, but before January 1, 2026; and

9 (ix) For estates of decedents dying in calendar year ((2014))
10 2026 and each calendar year thereafter, the amount in (a)((+(ii+))
11 (viii) of this subsection must be adjusted annually, except as
12 otherwise provided in this subsection (1)(a)((+(iii+)) (ix). The
13 annual adjustment is determined by multiplying ((two—million
14 dollars)) \$3,000,000 by the sum of one plus the percentage by which
15 the most recent October consumer price index exceeds the consumer
16 price index for October ((2012)) 2025, and rounding the result to the
17 nearest ((one thousand dollars)) \$1,000. No adjustment is made for a
18 calendar year if the adjustment would result in the same or a lesser
19 applicable exclusion amount than the applicable exclusion amount for
20 the immediately preceding calendar year. ((The applicable exclusion
21 amount under this subsection (1)(a)(iii) for the decedent's estate is
22 the applicable exclusion amount in effect as of the date of the
23 decedent's death.))

24 (b) For purposes of this subsection (1), "consumer price index"
25 means the consumer price index for all urban consumers, all items,
26 for the Seattle(~~-Tacoma-Bremerton~~) metropolitan area as calculated
27 by the United States bureau of labor statistics. For the purposes of
28 this subsection (1)(b), "Seattle metropolitan area" means the
29 geographic area sample that includes Seattle and surrounding areas.

30 (2) "Decedent" means a deceased individual.

31 (3) "Department" means the department of revenue, the director of
32 that department, or any employee of the department exercising
33 authority lawfully delegated to him or her by the director.

34 (4) "Federal return" means any tax return required by chapter 11
35 of the internal revenue code.

36 (5) "Federal tax" means a tax under chapter 11 of the internal
37 revenue code.

38 (6) "Federal taxable estate" means the taxable estate as
39 determined under chapter 11 of the internal revenue code without
40 regard to: (a) The termination of the federal estate tax under

1 section 2210 of the internal revenue code or any other provision of
2 law, and (b) the deduction for state estate, inheritance, legacy, or
3 succession taxes allowable under section 2058 of the internal revenue
4 code.

5 (7) "Gross estate" means "gross estate" as defined and used in
6 section 2031 of the internal revenue code.

7 (8) "Internal revenue code" means the United States internal
8 revenue code of 1986, as amended or renumbered as of January 1, 2005.

9 (9) "Person" means any individual, estate, trust, receiver,
10 cooperative association, club, corporation, company, firm,
11 partnership, joint venture, syndicate, or other entity and, to the
12 extent permitted by law, any federal, state, or other governmental
13 unit or subdivision or agency, department, or instrumentality
14 thereof.

15 (10) "Person required to file the federal return" means any
16 person required to file a return required by chapter 11 of the
17 internal revenue code, such as the personal representative of an
18 estate.

19 (11) "Property" means property included in the gross estate.

20 (12) "Resident" means a decedent who was domiciled in Washington
21 at time of death.

22 (13) "Taxpayer" means a person upon whom tax is imposed under
23 this chapter, including an estate or a person liable for tax under
24 RCW 83.100.120.

25 (14) "Transfer" means "transfer" as used in section 2001 of the
26 internal revenue code and includes any shifting upon death of the
27 economic benefit in property or any power or legal privilege
28 incidental to the ownership or enjoyment of property. However,
29 "transfer" does not include a qualified heir disposing of an interest
30 in property qualifying for a deduction under RCW 83.100.046 or
31 ceasing to use the property for farming purposes.

32 (15) "Washington taxable estate" means the federal taxable estate
33 and includes, but is not limited to, the value of any property
34 included in the gross estate under section 2044 of the internal
35 revenue code, regardless of whether the decedent's interest in such
36 property was acquired before May 17, 2005, (a) plus amounts required
37 to be added to the Washington taxable estate under RCW 83.100.047,
38 (b) less: (i) The applicable exclusion amount under subsection (1) of
39 this section; (ii) the amount of any deduction allowed under RCW
40 83.100.046; (iii) amounts allowed to be deducted from the Washington

1 taxable estate under RCW 83.100.047; and (iv) the amount of any
 2 deduction allowed under RCW 83.100.048.

3 **Sec. 2.** RCW 83.100.040 and 2013 2nd sp.s. c 2 s 4 are each
 4 amended to read as follows:

5 (1) A tax in an amount computed as provided in this section is
 6 imposed on every transfer of property located in Washington. For the
 7 purposes of this section, any intangible property owned by a resident
 8 is located in Washington.

9 (2) (a) (~~Except~~) (i) For estates of decedents dying before
 10 January 1, 2025, except as provided in (b) of this subsection, the
 11 amount of tax is the amount provided in the following table:

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
				Greater than
\$0	\$1,000,000	\$0	10.00%	\$0
\$1,000,000	\$2,000,000	\$100,000	14.00%	\$1,000,000
\$2,000,000	\$3,000,000	\$240,000	15.00%	\$2,000,000
\$3,000,000	\$4,000,000	\$390,000	16.00%	\$3,000,000
\$4,000,000	\$6,000,000	\$550,000	18.00%	\$4,000,000
\$6,000,000	\$7,000,000	\$910,000	19.00%	\$6,000,000
\$7,000,000	\$9,000,000	\$1,100,000	19.50%	\$7,000,000
\$9,000,000		\$1,490,000	20.00%	\$9,000,000

24 (ii) For estates of decedents dying on or after January 1, 2025,
 25 except as provided in (b) of this subsection, the amount of tax is
 26 the amount provided in the following table:

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
				Greater than
<u>\$0</u>	<u>\$1,000,000</u>	<u>\$0</u>	<u>16.00%</u>	<u>\$0</u>
<u>\$1,000,000</u>	<u>\$2,000,000</u>	<u>\$160,000</u>	<u>17.00%</u>	<u>\$1,000,000</u>
<u>\$2,000,000</u>	<u>\$3,000,000</u>	<u>\$330,000</u>	<u>20.00%</u>	<u>\$2,000,000</u>
<u>\$3,000,000</u>	<u>\$4,000,000</u>	<u>\$530,000</u>	<u>26.00%</u>	<u>\$3,000,000</u>

1	<u>\$4,000,000</u>	<u>\$6,000,000</u>	<u>\$790,000</u>	<u>31.00%</u>	<u>\$4,000,000</u>
2	<u>\$6,000,000</u>	<u>\$7,000,000</u>	<u>\$1,410,000</u>	<u>35.00%</u>	<u>\$6,000,000</u>
3	<u>\$7,000,000</u>	<u>\$9,000,000</u>	<u>\$1,760,000</u>	<u>36.00%</u>	<u>\$7,000,000</u>
4	<u>\$9,000,000</u>		<u>\$2,480,000</u>	<u>38.00%</u>	<u>\$9,000,000</u>

5 (b) If any property in the decedent's estate is located outside
6 of Washington, the amount of tax is the amount determined in (a) of
7 this subsection multiplied by a fraction. The numerator of the
8 fraction is the value of the property located in Washington. The
9 denominator of the fraction is the value of the decedent's gross
10 estate. Property qualifying for a deduction under RCW 83.100.046 must
11 be excluded from the numerator and denominator of the fraction.

12 (3) The tax imposed under this section is a stand-alone estate
13 tax that incorporates only those provisions of the internal revenue
14 code as amended or renumbered as of January 1, 2005, that do not
15 conflict with the provisions of this chapter. The tax imposed under
16 this chapter is independent of any federal estate tax obligation and
17 is not affected by termination of the federal estate tax.

18 NEW SECTION. **Sec. 3.** This act applies prospectively as well as
19 retroactively to estates of decedents dying on or after January 1,
20 2025.

21 NEW SECTION. **Sec. 4.** This act does not affect any existing
22 right acquired or liability or obligation incurred under the sections
23 amended or repealed in this act or under any rule or order adopted
24 under those sections, nor does it affect any proceeding instituted
25 under those sections.

26 NEW SECTION. **Sec. 5.** If any provision of this act or its
27 application to any person or circumstance is held invalid, the
28 remainder of the act or the application of the provision to other
29 persons or circumstances is not affected.

30 NEW SECTION. **Sec. 6.** This act is necessary for the immediate
31 preservation of the public peace, health, or safety, or support of

1 the state government and its existing public institutions, and takes
2 effect immediately.

--- **END** ---