

SENATE, No. 2079

STATE OF NEW JERSEY

INTRODUCED MAY 15, 1997

By Senator DiFRANCESCO

1 AN ACT exempting siblings of the decedent from transfer inheritance
2 taxes, amending R.S.54:34-2.

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4 BE IT ENACTED by the Senate and General Assembly of the State of
5 New Jersey:

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7 1. R.S.54:34-2 is amended to read as follows:

8 54:34-2. a. (1) The transfer of property to a husband or wife of a
9 decedent shall be taxed at the following rates:

10 For transfers made through December 31, 1984:

Table with 2 columns: Taxable amount range and Tax rate. Rows include: On any amount in excess of \$15,000, up to \$50,000 (2%); On any amount in excess of \$50,000, up to \$100,000 (3%); On any amount in excess of \$100,000, up to \$150,000 (4%); On any amount in excess of \$150,000, up to \$200,000 (5%); On any amount in excess of \$200,000, up to \$300,000 (6%); On any amount in excess of \$300,000, up to \$500,000 (7%); On any amount in excess of \$500,000, up to \$700,000 (8%); On any amount in excess of \$700,000, up to \$900,000 (9%); On any amount in excess of \$900,000, up to \$1,100,000 (10%); On any amount in excess of \$1,100,000, up to \$1,400,000 (11%); On any amount in excess of \$1,400,000, up to \$1,700,000 (12%); On any amount in excess of \$1,700,000, up to \$2,200,000 (13%); On any amount in excess of \$2,200,000, up to \$2,700,000 (14%); On any amount in excess of \$2,700,000, up to \$3,200,000 (15%); On any amount in excess of \$3,200,000 (16%).

26 For transfers made on or after January 1, 1985 there shall be no tax
27 imposed under this paragraph.

28 (2) The transfer of property to a father, mother, grandparent, child or
29 children of a decedent, or to any child or children adopted by the

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 decedent in conformity with the laws of this State, or of any of the
 2 United States or of a foreign country, or the issue of any child or legally
 3 adopted child of a decedent, shall be taxed at the following rates:

4 For transfers through June 30, 1985:

5	On any amount in excess of \$15,000, up to \$50,000	2%
6	On any amount in excess of \$50,000, up to \$100,000	3%
7	On any amount in excess of \$100,000, up to \$150,000	4%
8	On any amount in excess of \$150,000, up to \$200,000	5%
9	On any amount in excess of \$200,000, up to \$300,000	6%
10	On any amount in excess of \$300,000, up to \$500,000	7%
11	On any amount in excess of \$500,000, up to \$700,000	8%
12	On any amount in excess of \$700,000, up to \$900,000	9%
13	On any amount in excess of \$900,000, up to \$1,100,000	10%
14	On any amount in excess of \$1,100,000, up to \$1,400,000	11%
15	On any amount in excess of \$1,400,000, up to \$1,700,000	12%
16	On any amount in excess of \$1,700,000, up to \$2,200,000	13%
17	On any amount in excess of \$2,200,000, up to \$2,700,000	14%
18	On any amount in excess of \$2,700,000, up to \$3,200,000	15%
19	On any amount in excess of \$3,200,000	16%

20 For transfers made from July 1, 1985 through June 30, 1986:

21	On any amount in excess of \$50,000, up to \$100,000	3%
22	On any amount in excess of \$100,000, up to \$150,000	4%
23	On any amount in excess of \$150,000, up to \$200,000	5%
24	On any amount in excess of \$200,000, up to \$300,000	6%
25	On any amount in excess of \$300,000, up to \$500,000	7%
26	On any amount in excess of \$500,000, up to \$700,000	8%
27	On any amount in excess of \$700,000, up to \$900,000	9%
28	On any amount in excess of \$900,000, up to \$1,100,000	10%
29	On any amount in excess of \$1,100,000, up to \$1,400,000	11%
30	On any amount in excess of \$1,400,000, up to \$1,700,000	12%
31	On any amount in excess of \$1,700,000, up to \$2,200,000	13%
32	On any amount in excess of \$2,200,000, up to \$2,700,000	14%
33	On any amount in excess of \$2,700,000, up to \$3,200,000	15%
34	On any amount in excess of \$3,200,000	16%

35 For transfers made from July 1, 1986 through June 30, 1987:

1	On any amount in excess of \$150,000, up to \$200,000	5%
2	On any amount in excess of \$200,000, up to \$300,000	6%
3	On any amount in excess of \$300,000, up to \$500,000	7%
4	On any amount in excess of \$500,000, up to \$700,000	8%
5	On any amount in excess of \$700,000, up to \$900,000	9%
6	On any amount in excess of \$900,000, up to \$1,100,000	10%
7	On any amount in excess of \$1,100,000, up to \$1,400,000	11%
8	On any amount in excess of \$1,400,000, up to \$1,700,000	12%
9	On any amount in excess of \$1,700,000, up to \$2,200,000	13%
10	On any amount in excess of \$2,200,000, up to \$2,700,000	14%
11	On any amount in excess of \$2,700,000, up to \$3,200,000	15%
12	On any amount in excess of \$3,200,000	16%
13	For transfers made from July 1, 1987 through June 30, 1988:	
14	On any amount in excess of \$250,000, up to \$300,000	6%
15	On any amount in excess of \$300,000, up to \$500,000	7%
16	On any amount in excess of \$500,000, up to \$700,000	8%
17	On any amount in excess of \$700,000, up to \$900,000	9%
18	On any amount in excess of \$900,000, up to \$1,100,000	10%
19	On any amount in excess of \$1,100,000, up to \$1,400,000	11%
20	On any amount in excess of \$1,400,000, up to \$1,700,000	12%
21	On any amount in excess of \$1,700,000, up to \$2,200,000	13%
22	On any amount in excess of \$2,200,000, up to \$2,700,000	14%
23	On any amount in excess of \$2,700,000, up to \$3,200,000	15%
24	On any amount in excess of \$3,200,000	16%
25	For transfers made on or after July 1, 1988 there shall be no tax	
26	imposed under this subsection.	
27	b. (Deleted by amendment.)	
28	c. The transfer of property to a [brother or sister of a decedent,] wife	
29	or widow of a son of a decedent [,] or a husband or widower of a	
30	daughter of a decedent shall be taxed at the following rates:	
31	(1) For transfers through June 30, 1988:	
32	On any amount up to \$1,100,000	11%
33	On any amount in excess of \$1,100,000, up to \$1,400,000	13%
34	On any amount in excess of \$1,400,000, up to \$1,700,000	14%
35	On any amount in excess of \$1,700,000	16%
36	(2) For transfers made on or after July 1, 1988:	

1	On any amount in excess of \$25,000 up to \$1,100,000	11%
2	On any amount in excess of \$1,100,000, up to \$1,400,000	13%
3	On any amount in excess of \$1,400,000, up to \$1,700,000	14%
4	On any amount in excess of \$1,700,000	16%

5 d. The transfer of property to every other transferee, distributee or
6 beneficiary not hereinbefore classified shall be taxed at the following
7 rates:

8	On any amount up to \$700,000	15%
9	On any amount in excess of \$700,000	16%

10 For every purpose of this subtitle all persons, including the decedent,
11 shall be deemed to have been born in lawful wedlock and this provision
12 shall apply to the estate of every decedent whether said decedent died
13 before March 25, 1935, or shall die thereafter, but it shall not entitle any
14 person to a refund of any tax paid before the aforementioned date.

15 (cf: P.L.1985, c.57, s.1)

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17 2. This act shall take effect immediately and apply to transfers made
18 on or after the first day of the third month following enactment.

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21 STATEMENT

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23 This bill amends the New Jersey transfer inheritance tax to exempt
24 decedent transfers to brothers and sisters of the decedent from taxation.

25 The transfer inheritance tax is imposed on the recipients of property
26 inherited or transferred by will. The tax was extensively amended in
27 1985 so that over the next few years transfers to the spouse, children
28 and grandchildren, and parents of a decedent were exempted from
29 taxation. Transfers to close relatives of the decedent, including the
30 decedent's brothers and sisters, were provided an exemption on the first
31 \$25,000 transferred to each.

32 This bill adds the brothers and sisters of a decedent to the category
33 of transferees who are exempt from tax.

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38 Exempts siblings of the decedent from transfer inheritance taxes.