

SENATE BILL 646

Q7

8lr1736
CF HB 308

By: **Senators Madaleno, Kasemeyer, Astle, Benson, Conway, Currie, Feldman, Ferguson, Guzzone, Kagan, Kelley, King, Lee, Manno, McFadden, Middleton, Oaks, Peters, Pinsky, Ramirez, Robinson, Rosapepe, Smith, Young, and Zucker**

Introduced and read first time: February 1, 2018

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Estate Tax – Unified Credit**

3 FOR the purpose of altering a certain limit on the unified credit used for determining the
4 Maryland estate tax for decedents dying on or after a certain date; altering a certain
5 limitation on the amount of the Maryland estate tax for decedents dying on or after
6 a certain date; making a conforming change; and generally relating to the Maryland
7 estate tax.

8 BY repealing and reenacting, without amendments,
9 Article – Tax – General
10 Section 7–309(a)
11 Annotated Code of Maryland
12 (2016 Replacement Volume and 2017 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Tax – General
15 Section 7–309(b)(1), (2), and (3)
16 Annotated Code of Maryland
17 (2016 Replacement Volume and 2017 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
19 That the Laws of Maryland read as follows:

20 **Article – Tax – General**

21 7–309.

22 (a) Notwithstanding an Act of Congress that repeals or reduces the federal credit

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 under § 2011 of the Internal Revenue Code, the provisions of this subtitle in effect before
2 the passage of the Act of Congress shall apply with respect to a decedent who dies after the
3 effective date of the Act of Congress so as to continue the Maryland estate tax in force
4 without reduction in the same manner as if the federal credit had not been repealed or
5 reduced.

6 (b) (1) Except as provided in paragraphs (2) through (8) of this subsection and
7 subsection (c) of this section, after the effective date of an Act of Congress described in
8 subsection (a) of this section, the Maryland estate tax shall be determined using:

9 (i) the federal credit allowable by § 2011 of the Internal Revenue
10 Code as in effect before the reduction or repeal of the federal credit pursuant to the Act of
11 Congress; and

12 (ii) other provisions of federal estate tax law[, including the
13 applicable unified credit allowed against the federal estate tax,] as in effect on the date of
14 the decedent's death.

15 (2) Except as provided in paragraphs (3) through (8) of this subsection and
16 subsection (c) of this section, if the federal estate tax is not in effect on the date of the
17 decedent's death, the Maryland estate tax shall be determined using:

18 (i) the federal credit allowable by § 2011 of the Internal Revenue
19 Code as in effect before the reduction or repeal of the federal credit pursuant to the Act of
20 Congress; and

21 (ii) other provisions of federal estate tax law[, including the
22 applicable unified credit allowed against the federal estate tax,] as in effect on the date
23 immediately preceding the effective date of the repeal of the federal estate tax.

24 (3) (i) Notwithstanding any increase in the unified credit allowed
25 against the federal estate tax for decedents dying after 2003, the unified credit used for
26 determining the Maryland estate tax for a decedent [dying before January 1, 2019,] may
27 not exceed the applicable credit amount corresponding to an applicable exclusion amount,
28 within the meaning of § 2010(c) of the Internal Revenue Code, of:

29 1. \$1,000,000 for a decedent dying before January 1, 2015;

30 2. \$1,500,000 for a decedent dying on or after January 1,
31 2015, but before January 1, 2016;

32 3. \$2,000,000 for a decedent dying on or after January 1,
33 2016, but before January 1, 2017;

34 4. \$3,000,000 for a decedent dying on or after January 1,
35 2017, but before January 1, 2018; [and]

