

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 415 Session of 2017

INTRODUCED BY MURT, BAKER, BARRAR, BOBACK, V. BROWN, CALTAGIRONE, CHARLTON, D. COSTA, DAVIDSON, DEASY, DRISCOLL, FARRY, GABLER, GOODMAN, MACKENZIE, MATZIE, McNEILL, NEILSON, ROTHMAN, ROZZI, STURLA, WARD, WATSON, BIZZARRO, KINSEY, ROE AND SIMS, FEBRUARY 8, 2017

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES, AS AMENDED, APRIL 17, 2018

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
2 act relating to tax reform and State taxation by codifying
3 and enumerating certain subjects of taxation and imposing
4 taxes thereon; providing procedures for the payment,
5 collection, administration and enforcement thereof; providing
6 for tax credits in certain cases; conferring powers and
7 imposing duties upon the Department of Revenue, certain
8 employers, fiduciaries, individuals, persons, corporations
9 and other entities; prescribing crimes, offenses and
10 penalties," in inheritance tax, further providing for
11 definitions and for inheritance tax.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. Section 2102 of the act of March 4, 1971 (P.L.6,
15 No.2), known as the Tax Reform Code of 1971, is amended by
16 adding a definition to read:

17 Section 2102. Definitions.--The following words, terms and
18 phrases, when used in this article, shall have the meanings
19 ascribed to them in this section, except where the context
20 clearly indicates a different meaning:

1 * * *

2 ~~"Child with a disability." A person who:~~ <--

3 ~~(1) due to disability remains eligible to receive either~~
4 ~~present or future Federal Social Security family benefits based~~
5 ~~on the Social Security earnings record of either of the person's~~
6 ~~parents; and~~

7 ~~(2) meets one of the following:~~

8 ~~(i) is a disabled adult child whose disability began on or~~
9 ~~before attaining 22 years of age for the purpose of the~~
10 ~~Supplemental Security Income (SSI) program under Title XVI of~~
11 ~~the Social Security Act (49 Stat. 620, 42 U.S.C. § 301 et seq.)~~
12 ~~and is eligible to receive supplemental security income and~~
13 ~~medical assistance benefits; or~~

14 ~~(ii) has been determined to be disabled for purposes of the~~
15 ~~Supplemental Security Income (SSI) program on or before~~
16 ~~attaining 18 years of age, regardless of whether the parental~~
17 ~~income levels make the person eligible to receive supplemental~~
18 ~~security income and medical assistance benefits.~~

19 "INDIVIDUAL WITH A DISABILITY." AN INDIVIDUAL WHO IS <--

20 ENTITLED TO BENEFITS BASED ON BLINDNESS OR DISABILITY UNDER
21 TITLE II OR XVI OF THE SOCIAL SECURITY ACT (49 STAT. 620, 42
22 U.S.C. § 301 ET SEQ.) AND THE BLINDNESS OR DISABILITY OCCURRED
23 BEFORE THE DATE ON WHICH THE INDIVIDUAL ATTAINED 26 YEARS OF
24 AGE.

25 * * *

26 Section 2. ~~Section 2116(a) of the act is amended by adding a~~ <--
27 ~~clause to read:~~ SECTION 2116(A) (2) OF THE ACT IS AMENDED AND THE <--
28 SUBSECTION IS AMENDED BY ADDING A SUBCLAUSE TO READ:

29 Section 2116. Inheritance Tax.--(a) * * *

30 (1.4) Inheritance tax upon the transfer of property and

1 other assets either directly to a ~~child~~ AN INDIVIDUAL with a <--
2 disability or to a trust for the benefit of a ~~child~~ AN <--
3 INDIVIDUAL with a disability from a natural parent, an adoptive
4 parent or a stepparent of the ~~child~~ INDIVIDUAL WITH A DISABILITY <--
5 shall be at the rate of zero per cent.

6 (2) INHERITANCE TAX UPON THE TRANSFER OF PROPERTY PASSING TO <--
7 OR FOR THE USE OF ALL PERSONS OTHER THAN THOSE DESIGNATED IN
8 SUBCLAUSE (1), (1.1), (1.2) [OR], (1.3) OR (1.4) OR EXEMPT UNDER
9 SECTION 2111(M) SHALL BE AT THE RATE OF FIFTEEN PER CENT.

10 * * *

11 Section 3. This act shall apply to the estates of decedents
12 dying on or after the effective date of this section.

13 Section 4. This act shall take effect in 60 days.