

111TH CONGRESS
1ST SESSION

H. R. 4035

To amend the Internal Revenue Code of 1986 to allow the estate of a decedent to use the capital loss carryover of the decedent as a deduction against estate tax.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 5, 2009

Mr. MARCHANT introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow the estate of a decedent to use the capital loss carryover of the decedent as a deduction against estate tax.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. TREATMENT OF CAPITAL LOSS CARRYOVER AS**

4 **A DEDUCTION AGAINST ESTATE TAX.**

5 (a) IN GENERAL.—Part IV of subchapter A of chap-
6 ter 11 of the Internal Revenue Code of 1986 is amended
7 by adding at the end the following new section:

1 **“SEC. 2059. UNUSED CAPITAL LOSS CARRYOVER.**

2 “(a) IN GENERAL.—For purposes of the tax imposed
3 by section 2001, the value of the taxable estate shall be
4 determined by deducting from the value of the gross estate
5 an amount equal to the unused capital loss carryover of
6 the decedent.

7 “(b) UNUSED CAPITAL LOSS CARRYOVER.—For pur-
8 poses of this section, the term ‘unused capital loss carry-
9 over’ means an amount equal to the capital loss carryover
10 under section 1212(b) which would (but for the decedent’s
11 death) be carried from the decedent’s last taxable year to
12 a later taxable year of the decedent (or the surviving
13 spouse of the decedent).”.

14 (b) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to estates of decedents dying after
16 the date of the enactment of this Act.

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