

114TH CONGRESS
2D SESSION

H. R. 4996

To amend the Internal Revenue Code of 1986 to return the estate, gift,
and generation skipping transfer tax to 2009 levels.

IN THE HOUSE OF REPRESENTATIVES

APRIL 20, 2016

Mr. LEVIN (for himself, Mr. RANGEL, Mr. BLUMENAUER, Mr. VAN HOLLEN,
Mr. CROWLEY, Mr. PASCRELL, Mr. NEAL, Mr. HOYER, and Mr. LARSON
of Connecticut) 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 return
the estate, gift, and generation skipping transfer tax
to 2009 levels.

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. SHORT TITLE.**

4 This Act may be cited as the “Sensible Estate Tax
5 Act of 2016”.

6 **SEC. 2. ESTATE AND GIFT TAX RETURNED TO 2009 LEVELS.**

7 (a) ESTATE TAX.—

1 (1) RATE SCHEDULE.—Subsection (c) of sec-
 2 tion 2001 of the Internal Revenue Code of 1986 is
 3 amended to read as follows:

4 “(c) RATE SCHEDULE.—

**“If the amount with respect to
 which the tentative
 tax to be computed is:**

	The tentative tax is:
Not over \$10,000	18% of such amount.
Over \$10,000 but not over \$20,000.	\$1,800, plus 20 percent of the excess of such amount over \$10,000.
Over \$20,000 but not over \$40,000.	\$3,800, plus 22% of the excess of such amount over \$20,000.
Over \$40,000 but not over \$60,000.	\$8,200, plus 24% of the excess of such amount over \$40,000.
Over \$60,000 but not over \$80,000.	\$13,000, plus 26% of the excess of such amount over \$60,000.
Over \$80,000 but not over \$100,000.	\$18,200, plus 28% of the excess of such amount over \$80,000.
Over \$100,000 but not over \$150,000.	\$23,800, plus 30% of the excess of such amount over \$100,000.
Over \$150,000 but not over \$250,000.	\$38,800, plus 32% of the excess of such amount over \$150,000.
Over \$250,000 but not over \$500,000.	\$70,800, plus 34% of the excess of such amount over \$250,000.
Over \$500,000 but not over \$750,000.	\$155,800, plus 37% of the excess of such amount over \$500,000.
Over \$750,000 but not over \$1,000,000.	\$248,300, plus 39% of the excess of such amount over \$750,000.
Over \$1,000,000 but not over \$1,250,000.	\$345,800, plus 41% of the excess of such amount over \$1,000,000.
Over \$1,250,000 but not over \$1,500,000.	\$448,300, plus 43% of the excess of such amount over \$1,250,000.
Over \$1,500,000	\$555,800, plus 45% of the excess of such amount over \$1,500,000.”.

5 (2) EXEMPTION AMOUNT.—Paragraph (3) of
 6 section 2010(c) of such Code is amended to read as
 7 follows:

8 “(3) BASIC EXCLUSION AMOUNT.—For pur-
 9 poses of this subsection, the basic exclusion amount
 10 is \$3,500,000.”.

11 (b) GIFT TAX.—

1 (1) LIMITATION ON BASIC EXCLUSION AMOUNT
2 FOR PURPOSES OF DETERMINING APPLICABLE
3 CREDIT AMOUNT.—Paragraph (1) of section 2505(a)
4 of the Internal Revenue Code of 1986 is amended by
5 inserting “(determined as if the basic exclusion
6 amount were \$1,000,000 and the deceased spousal
7 unused exclusion amount was modified under sub-
8 section (d))” after “calendar year”.

9 (2) MODIFICATION OF DECEASED SPOUSAL UN-
10 USED EXCLUSION AMOUNT.—Section 2505 of such
11 Code is amended by adding at the end the following:

12 “(d) MODIFICATION OF DECEASED SPOUSAL UN-
13 USED EXCLUSION AMOUNT.—In the case of a surviving
14 spouse who is the last spouse of the decedent with respect
15 to whom an election is made under section 2010(c)(5), the
16 deceased spousal unused exclusion amount with respect to
17 such surviving spouse shall be determined as if such
18 amount were the lesser of—

19 “(1) \$1,000,000, and

20 “(2) applicable exclusion amount of the dece-
21 dent reduced by the amount with respect to which
22 the tentative tax is determined under section
23 2001(b)(1) on the estate of the decedent.”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to estates of decedents dying and
3 gifts made after December 31, 2016.

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