

118TH CONGRESS
2D SESSION

H. R. 7035

To amend the Internal Revenue Code of 1986 to repeal the estate and generation-skipping transfer taxes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 18, 2024

Mr. FEENSTRA (for himself, Mr. BISHOP of Georgia, Ms. TENNEY, Mr. AUSTIN SCOTT of Georgia, Mrs. WAGNER, Mr. BISHOP of North Carolina, Mr. PERRY, Mr. MANN, Mr. GRAVES of Missouri, Mrs. CAMMACK, Mr. BOST, Mr. KUSTOFF, Mr. TIFFANY, Mr. GOODEN of Texas, Mr. FINSTAD, Mr. MOOLENAAR, Mr. GUEST, Mr. MOORE of Utah, Mrs. HINSON, Mr. WILLIAMS of Texas, Mr. THOMPSON of Pennsylvania, Mr. BURCHETT, Mrs. MILLER of West Virginia, Mr. SMUCKER, Mr. NORMAN, Mr. GUTHRIE, Mr. RESCENTIALER, Mr. ROY, Ms. FOXX, Mr. PFLUGER, Mr. WEBER of Texas, Mrs. HARSHBARGER, Mr. JACKSON of Texas, Mr. ALFORD, Mr. ROSE, Mr. LAHOOD, Mr. SMITH of Nebraska, Mr. JOHNSON of Ohio, Mr. GRIFFITH, Mr. GREEN of Tennessee, Mr. FLEISCHMANN, Mr. CLOUD, Ms. STEFANIK, Mr. MURPHY, Mr. GOOD of Virginia, Mrs. SPARTZ, Mr. WOMACK, Mr. JOYCE of Pennsylvania, Ms. VAN DUYNE, Mr. NEWHOUSE, Mrs. MILLER-MEEKS, Mr. FRY, Mr. CURTIS, Mr. ALLEN, Mr. DAVIDSON, Mr. LANGWORTHY, Mr. BUCSHON, Mr. BABIN, Mr. NUNN of Iowa, Mr. NEHLS, Mr. ROSENDALE, Mrs. BICE, Mr. ADERHOLT, Mr. BALDERSON, Mr. BILIRAKIS, Mr. KELLY of Pennsylvania, Mrs. MCCLAIN, Mr. GOSAR, Mr. CAREY, Ms. HAGEMAN, Mrs. STEEL, Mr. BANKS, Mr. CARTER of Georgia, Mr. GRAVES of Louisiana, Ms. BOEBERT, Mr. ARRINGTON, Mr. BARR, Mr. ELLZEY, Mr. BACON, Mr. MEUSER, Mr. HERN, Mr. SESSIONS, Mr. DONALDS, Mr. KELLY of Mississippi, Mr. EDWARDS, Mr. TURNER, Mr. BAIRD, Mr. OGLES, Mr. VALADAO, Mr. VAN DREW, Mr. MOYLAN, Mr. CARTER of Texas, Mr. FITZGERALD, Mr. STEUBE, Mr. HIGGINS of Louisiana, Mr. SCOTT FRANKLIN of Florida, Mr. DUARTE, Mr. TONY GONZALES of Texas, Mr. BURLISON, Mr. LAWLER, Mr. HUDSON, Mr. DUNCAN, Mrs. LESKO, Ms. MACE, Mr. FERGUSON, Mr. YAKYM, Mr. MILLS, Mr. BIGGS, Mrs. MILLER of Illinois, Mr. ROUZER, Mr. MCCLINTOCK, Mr. LATURNER, Mr. PENCE, Mr. SIMPSON, Mr. RUTHERFORD, Mr. WESTERMAN, Ms. LETLOW, Mr. LAMALFA, Mr. STAUBER, Mr. LUETKEMEYER, Mr. BUCHANAN, Mr. VAN ORDEN, Mrs. HOUCHIN, Mr. MCCAUL, Mr. STEIL, Mr. PALMER, Mrs. FISCHBACH, Mr. CLINE, Mr. LATTA, Mr. GARBARINO, Mr. CARL, Mr. CALVERT, Mr. FULCHER, Mr. MIKE GARCIA of California,

1 dying on or after the date of the enactment of the Death
2 Tax Repeal Act.

3 “(b) CERTAIN DISTRIBUTIONS FROM QUALIFIED
4 DOMESTIC TRUSTS.—In applying section 2056A with re-
5 spect to the surviving spouse of a decedent dying before
6 the date of the enactment of the Death Tax Repeal Act—

7 “(1) section 2056A(b)(1)(A) shall not apply to
8 distributions made after the 10-year period begin-
9 ning on such date, and

10 “(2) section 2056A(b)(1)(B) shall not apply on
11 or after such date.”.

12 (2) CLERICAL AMENDMENT.—The table of sec-
13 tions for subchapter C of chapter 11 of the Internal
14 Revenue Code of 1986 is amended by adding at the
15 end the following new item:

“Sec. 2210. Termination.”.

16 (b) GENERATION-SKIPPING TRANSFER TAX RE-
17 PEAL.—

18 (1) IN GENERAL.—Subchapter G of chapter 13
19 of subtitle B of such Code is amended by adding at
20 the end the following new section:

21 **“SEC. 2664. TERMINATION.**

22 “This chapter shall not apply to generation-skipping
23 transfers on or after the date of the enactment of the
24 Death Tax Repeal Act.”.

1 (2) CLERICAL AMENDMENT.—The table of sec-
 2 tions for subchapter G of chapter 13 of such Code
 3 is amended by adding at the end the following new
 4 item:

“Sec. 2664. Termination.”.

5 (c) CONFORMING AMENDMENTS RELATED TO GIFT
 6 TAX.—

7 (1) COMPUTATION OF GIFT TAX.—Subsection
 8 (a) of section 2502 of the Internal Revenue Code of
 9 1986 is amended to read as follows:

10 “(a) COMPUTATION OF TAX.—

11 “(1) IN GENERAL.—The tax imposed by section
 12 2501 for each calendar year shall be an amount
 13 equal to the excess of—

14 “(A) a tentative tax, computed under para-
 15 graph (2), on the aggregate sum of the taxable
 16 gifts for such calendar year and for each of the
 17 preceding calendar periods, over

18 “(B) a tentative tax, computed under para-
 19 graph (2), on the aggregate sum of the taxable
 20 gifts for each of the preceding calendar periods.

21 “(2) RATE SCHEDULE.—

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

Not over \$10,000
 Over \$10,000 but not over
 \$20,000.
 Over \$20,000 but not over
 \$40,000.

The tentative tax is:

18% of such amount.
 \$1,800, plus 20% of the excess over
 \$10,000.
 \$3,800, plus 22% of the excess over
 \$20,000.

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

“If the amount with respect to which the tentative tax to be computed is:	The tentative tax is:
Over \$40,000 but not over \$60,000.	\$8,200, plus 24% of the excess over \$40,000.
Over \$60,000 but not over \$80,000.	\$13,000, plus 26% of the excess over \$60,000.
Over \$80,000 but not over \$100,000.	\$18,200, plus 28% of the excess over \$80,000.
Over \$100,000 but not over \$150,000.	\$23,800, plus 30% of the excess over \$100,000.
Over \$150,000 but not over \$250,000.	\$38,800, plus 32% of the excess of \$150,000.
Over \$250,000 but not over \$500,000.	\$70,800, plus 34% of the excess over \$250,000.
Over \$500,000	\$155,800, plus 35% of the excess of \$500,000.”.

1 (2) LIFETIME GIFT EXEMPTION.—

2 (A) IN GENERAL.—Paragraph (1) of sec-
3 tion 2505(a) of the Internal Revenue Code of
4 1986 is amended to read as follows:

5 “(1) the amount of the tentative tax which
6 would be determined under the rate schedule set
7 forth in section 2502(a)(2) if the amount with re-
8 spect to which such tentative tax is to be computed
9 were \$10,000,000, reduced by”.

10 (B) INFLATION ADJUSTMENT.—Section
11 2505 of such Code is amended by adding at the
12 end the following new subsection:

13 “(d) INFLATION ADJUSTMENT.—

14 “(1) IN GENERAL.—In the case of any calendar
15 year after 2011, the dollar amount in subsection
16 (a)(1) shall be increased by an amount equal to—

17 “(A) such dollar amount, multiplied by

1 “(B) the cost-of-living adjustment deter-
2 mined under section 1(f)(3) for such calendar
3 year by substituting ‘calendar year 2010’ for
4 ‘calendar year 2016’ in subparagraph (A)(ii)
5 thereof.

6 “(2) ROUNDING.—If any amount as adjusted
7 under paragraph (1) is not a multiple of \$10,000,
8 such amount shall be rounded to the nearest mul-
9 tiple of \$10,000.”.

10 (3) OTHER CONFORMING AMENDMENTS RE-
11 LATED TO GIFT TAX.—

12 (A) The heading for section 2505 of such
13 Code is amended by striking “**UNIFIED**”.

14 (B) The item in the table of sections for
15 subchapter A of chapter 12 of such Code relat-
16 ing to section 2505 is amended to read as fol-
17 lows:

“Sec. 2505. Credit against gift tax.”.

18 (C) Section 2801(a)(1) of such Code is
19 amended by striking “section 2001(c) as in ef-
20 fect on the date of such receipt” and inserting
21 “section 2502(a)(2)”.

22 (d) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to estates of decedents dying, gen-
24 eration-skipping transfers, and gifts made, on or after the
25 date of the enactment of this Act.

1 (e) TRANSITION RULE.—

2 (1) IN GENERAL.—For purposes of applying
3 sections 1015(d), 2502, and 2505 of the Internal
4 Revenue Code of 1986, the calendar year in which
5 this Act is enacted shall be treated as two separate
6 calendar years one of which ends on the day before
7 the date of the enactment of this Act and the other
8 of which begins on such date of enactment.

9 (2) APPLICATION OF SECTION 2504(b).—For
10 purposes of applying section 2504(b) of the Internal
11 Revenue Code of 1986, the calendar year in which
12 this Act is enacted shall be treated as one preceding
13 calendar period.

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