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HOUSE BILL 2445

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State of Washington                      61st Legislature                      2010 Regular Session

By Representatives Angel, Campbell, Chandler, and Warnick

Prefiled 12/08/09. Read first time 01/11/10. Referred to Committee on Finance.

1            AN ACT Relating to creating an estate tax exemption for certain  
2 property held by qualified family-owned businesses; and adding a new  
3 section to chapter 83.100 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5            NEW SECTION.    **Sec. 1.** A new section is added to chapter 83.100 RCW  
6 to read as follows:

7            (1) For the purposes of determining the Washington taxable estate,  
8 a deduction is allowed from the federal taxable estate for the value of  
9 qualified family-owned business interests of the decedent. This  
10 deduction applies only if the qualified family-owned business interest  
11 is acquired by any qualified heir from, or passed to any qualified heir  
12 from, the decedent, within the meaning of RCW 83.100.046(2) and the  
13 decedent was at the time of his or her death a citizen or resident of  
14 the United States. Only property in the federal taxable estate and not  
15 deductible under RCW 83.100.046 may be deducted under this subsection.  
16 For the purposes of determining the deduction amount, the value of  
17 property is its value as used to determine the value of the gross  
18 estate.

1           (2) For purposes of this section, the following definitions apply  
2 unless the context clearly requires otherwise.

3           (a) "Qualified family-owned business interest" has the same meaning  
4 as in 26 U.S.C. Sec. 2057(e) of the federal internal revenue code as it  
5 existed on January 1, 2009.

6           (b) "Qualified heir" has the same meaning as in 26 U.S.C. Sec.  
7 2057(i) of the federal internal revenue code as it existed on January  
8 1, 2009.

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