To: Finance

By: Senator(s) Dawkins

## SENATE BILL NO. 2921

AN ACT TO AMEND SECTION 27-9-5, MISSISSIPPI CODE OF 1972, TO PROVIDE A STATE ESTATE TAX SCHEDULE FOR DECEDENTS DYING ON OR AFTER JANUARY 1, 2003, THAT IS EQUAL TO THE ESTATE TAX SCHEDULE FOR DECEDENTS DYING BEFORE JANUARY 1, 2000; TO AMEND SECTION 27-9-11, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE STANDARD 3 DEDUCTION FROM THE GROSS ESTATE FOR ESTATE TAX PURPOSES SHALL BE \$675,000.00, WHICH IS THE AMOUNT OF THE DEDUCTION FOR DECEDENTS 7 DYING IN 2000 OR 2001; TO REPEAL SECTION 27-9-59, MISSISSIPPI CODE OF 1972, WHICH PROVIDES THAT THE ESTATE TAX LAW OF THIS STATE 8 9 SHALL REMAIN IN FORCE AND EFFECT SO LONG AS THE GOVERNMENT OF THE 10 11 UNITED STATES RETAINS IN FULL FORCE AND EFFECT AS A PART OF THE REVENUE LAWS OF THE UNITED STATES A FEDERAL ESTATE TAX, PROVIDES 12 THAT THE ESTATE TAX LAWS SHALL BE REPEALED WHEN THE GOVERNMENT OF 13 THE UNITED STATES CEASES TO IMPOSE AN ESTATE TAX, AND PROVIDES 14 THAT WHEREVER POSSIBLE THE TERMS OF THIS STATUTE SHALL BE 15 CONSTRUED IN CONFORMITY WITH SIMILAR PROVISIONS OF THE ESTATE TAX 16 LAW OF THE UNITED STATES; AND FOR RELATED PURPOSES. 17

- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
- 19 SECTION 1. Section 27-9-5, Mississippi Code of 1972, is
- 20 amended as follows:
- [For decedents dying after March 22, 1956, and before October 22 1, 1988, this section shall read as follows:]
- 23 27-9-5. A tax equal to the sum of the following percentages
- 24 of the value of the net estate is hereby imposed upon the transfer
- of the net estate of every decedent dying after March 22, 1956,
- 26 and before October 1, 1988, whether a resident or a nonresident of
- 27 the State of Mississippi:

28	MISSISSIPPI	ESTATE	TAX	SCHEDULE

29	Over	Bu	ıt not over			Of excess over
30	\$ -0-	\$	60,000		1%	
31	60,000		100,000	\$ 600 plus	1.6%	60,000
32	100,000		200,000	1,240 plus	2.4%	100,000
33	200,000		400,000	3,640 plus	3.2%	200,000
34	400,000		600,000	10,040 plus	4.0%	400,000

35	600,000	800,000	18,040 plus 4.89	600,000
36	800,000	1,000,000	27,640 plus 5.69	800,000
37	1,000,000	1,500,000	38,840 plus 6.4 <sup>9</sup>	1,000,000
38	1,500,000	2,000,000	70,840 plus 7.29	1,500,000
39	2,000,000	2,500,000	106,840 plus 8.09	2,000,000
40	2,500,000	3,000,000	146,840 plus 8.89	2,500,000
41	3,000,000	3,500,000	190,840 plus 9.69	3,000,000
42	3,500,000	4,000,000	238,840 plus 10.49	3,500,000
43	4,000,000	5,000,000	290,840 plus 11.29	4,000,000
44	5,000,000	6,000,000	402,840 plus 12.09	5,000,000
45	6,000,000	7,000,000	522,840 plus 12.89	6,000,000
46	7,000,000	8,000,000	650,840 plus 13.69	7,000,000
47	8,000,000	9,000,000	786,840 plus 14.4 <sup>9</sup>	8,000,000
48	9,000,000	10,000,000	930,840 plus 15.29	9,000,000
49	10,000,000	and over	1,082,840 plus 16.09	10,000,000

Provided, however, that the tax due under this section shall not be less than the state death tax credit allowable under Title 26, Section 2011, USCS.

## [For decedents dying on or after October 1, 1988, and before October 1, 1989, this section shall read as follows:]

55 27-9-5. A tax equal to the sum of the following percentages 56 of the value of the net estate is hereby imposed upon the transfer 57 of the net estate of every decedent dying on or after October 1, 58 1988, and before October 1, 1989, whether a resident or a 59 nonresident of the State of Mississippi:

MISSISSIPPI ESTATE TAX SCHEDULE

61	Over	В	ut not over			Of excess over
62	\$ - 0 -	\$	100,000		1.7%	
63	100,000		200,000	1,700 plus	3.4%	100,000
64	200,000		400,000	5,100 plus	5.2%	200,000
65	400,000		600,000	15,500 plus	6.6%	400,000
66	600,000		800,000	28,700 plus	8.0%	600,000
67	800,000	1	,000,000	44,700 plus	9.7%	800,000

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68	1,000,000	1,500,000	64,100 plus 11.4%	1,000,000
69	1,500,000	2,000,000	121,100 plus 12.7%	1,500,000
70	2,000,000	2,500,000	184,600 plus 14.0%	2,000,000
71	2,500,000	3,000,000	254,600 plus 15.3%	2,500,000
72	3,000,000	3,500,000	331,100 plus 16.7%	3,000,000
73	3,500,000	And over	414,600 plus 18.4%	3,500,000

Provided, however, that the tax due under this section shall not be less than the state death tax credit allowable under Title 26, Section 2011, USCS.

## [For decedents dying on or after October 1, 1989, and before October 1, 1990, this section shall read as follows:]

27-9-5. A tax equal to the sum of the following percentages of the value of the net estate is hereby imposed upon the transfer of the net estate of every decedent dying on or after October 1, 1989, and before October 1, 1990, whether a resident or a nonresident of the State of Mississippi:

84	MISSISSIPPI	ESTATE	TAX	SCHEDULE

85	Over	But not over		Of excess over
86	\$ -0-	\$ 100,000	1.4%	
87	100,000	200,000	1,400 plus 2.8%	100,000
88	200,000	400,000	4,200 plus 4.4%	200,000
89	400,000	600,000	13,000 plus 5.75%	400,000
90	600,000	800,000	24,500 plus 6.9%	600,000
91	800,000	1,000,000	38,300 plus 8.3%	800,000
92	1,000,000	1,500,000	54,900 plus 9.7%	1,000,000
93	1,500,000	2,000,000	103,400 plus 10.85%	1,500,000
94	2,000,000	2,500,000	157,650 plus 12.0%	2,000,000
95	2,500,000	3,000,000	217,650 plus 13.15%	2,500,000
96	3,000,000	3,500,000	283,400 plus 14.3%	3,000,000
97	3,500,000	4,000,000	354,900 plus 15.7%	3,500,000
98	4,000,000	5,000,000	433,400 plus 16.1%	4,000,000
99	5,000,000	6,000,000	594,400 plus 16.5%	5,000,000
100	6,000,000	7,000,000	759,400 plus 16.9%	6,000,000

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101	7,000,000	8,000,000	928,400	plus	17.3%	7,000,000	)
102	8,000,000	9,000,000	1,101,400	plus	17.7%	8,000,000	)
103	9,000,000	10,000,000	1,278,400	plus	18.1%	9,000,000	)
104	10,000,000 a	and over	1,459,400	plus	18.5%	10,000,000	)

105 Provided, however, that the tax due under this section shall 106 not be less than the state death tax credit allowable under Title 107 26, Section 2011, USCS.

## [For decedents dying on or after October 1, 1990, and before January 1, 2000, this section shall read as follows:]

27-9-5. A tax equal to the sum of the following percentages

of the value of the net estate is hereby imposed upon the transfer

of the net estate of every decedent dying on or after October 1,

1990, whether a resident or a nonresident of the State of

Mississippi:

116	Over	But not ove	r		Of excess over
117	\$ -0-	\$ 60,000		1%	
118	60,000	100,000	\$ 600 plus	3 1.6%	60,000
119	100,000	200,000	1,240 plu	3 2.4%	100,000
120	200,000	400,000	3,640 plu	3.2%	200,000
121	400,000	600,000	10,040 plu	3 4.0%	400,000
122	600,000	800,000	18,040 plu	3 4.8%	600,000
123	800,000	1,000,000	27,640 plu	5 5.6%	800,000
124	1,000,000	1,500,000	38,840 plu	6.4%	1,000,000
125	1,500,000	2,000,000	70,840 plu	5 7.2%	1,500,000
126	2,000,000	2,500,000	106,840 plu	8.0%	2,000,000
127	2,500,000	3,000,000	146,840 plu	8.8%	2,500,000
128	3,000,000	3,500,000	190,840 plu	9.6%	3,000,000
129	3,500,000	4,000,000	238,840 plu	5 10.4%	3,500,000
130	4,000,000	5,000,000	290,840 plu	5 11.2%	4,000,000
131	5,000,000	6,000,000	402,840 plu	3 12.0%	5,000,000
132	6,000,000	7,000,000	522,840 plu	s 12.8%	6,000,000
133	7,000,000	8,000,000	650,840 plu	3 13.6%	7,000,000

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8,000,000 9,000,000 786,840 plus 14.4% 134 8,000,000 9,000,000 10,000,000 930,840 plus 15.2% 135 9,000,000 10,000,000 and over 1,082,840 plus 16.0% 136 10,000,000 137 Provided, however, that the tax due under this \* \* \* section 138 shall not be less than the state death tax credit allowable under Title 26, Section 2011, USCS. 139 [For decedents dying on or after January 1, 2000, and before 140 January 1, 2003, this section shall read as follows:] 141 27-9-5. A tax is hereby imposed upon the transfer of the net 142 estate of every decedent dying on or after January 1, 2000, in an 143 144 amount equal to the maximum amount of state death tax credit permissible as a credit or deduction in computing any federal 145 estate tax payable by the estate according to the act of Congress 146 147 in effect, on the date of the death of the decedent, taxing such estate with respect to the items subject to taxation in 148 Mississippi. The tax imposed by this section shall not exceed the 149 aggregate amounts which may by any law of the United States be 150 151 allowed to be credited against or deducted for federal estate tax. The tax imposed by this section shall be due in the proportion 152 153 that the estate located in Mississippi bears to the entire estate 154 wherever located. The estate tax hereby imposed by this section 155 shall only be exercised or enforced to the extent of absorbing the amount of any deduction or credit which may be permitted by the 156 laws of the United States now existing or hereafter enacted to be 157 158 claimed as a deduction or credit against such similar tax of the United States applicable to Mississippi estates. 159 160 [For decedents dying on or after January 1, 2003, this section shall read as follows:] 161 A tax equal to the sum of the following percentages 162 27-9-5. 163 of the value of the net estate is hereby imposed upon the transfer of the net estate of every decedent dying on or after January 1, 164 165 2003, whether a resident or a nonresident of the State of

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Mississippi:

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167		MISSISSI	PPI ESTATE TAX	SCHEDULE	
168	Over	But not ove	er		Of excess over
169	\$ -0-	\$ 60,000		1%	
170	60,000	100,000	\$ 600 plus	1.6%	60,000
171	100,000	200,000	1,240 plus	2.4%	100,000
172	200,000	400,000	3,640 plus	3.2%	200,000
173	400,000	600,000	10,040 plus	4.0%	400,000
174	600,000	800,000	18,040 plus	4.8%	600,000
175	800,000	1,000,000	27,640 plus	5.6%	800,000
176	1,000,000	1,500,000	38,840 plus	6.4%	1,000,000
177	1,500,000	2,000,000	70,840 plus	7.2%	1,500,000
178	2,000,000	2,500,000	106,840 plus	8.0%	2,000,000
179	2,500,000	3,000,000	146,840 plus	8.8%	2,500,000
180	3,000,000	3,500,000	190,840 plus	9.6%	3,000,000
181	3,500,000	4,000,000	238,840 plus	10.4%	3,500,000
182	4,000,000	5,000,000	290,840 plus	11.2%	4,000,000
183	5,000,000	6,000,000	402,840 plus	12.0%	5,000,000
184	6,000,000	7,000,000	522,840 plus	12.8%	6,000,000
185	7,000,000	8,000,000	650,840 plus	13.6%	7,000,000
186	8,000,000	9,000,000	786,840 plus	14.4%	8,000,000
187	9,000,000	10,000,000	930,840 plus	15.2%	9,000,000
188	10,000,000 a	nd over	1,082,840 plus	16.0%	10,000,000
189	Provided	, however, th	at the tax due	under thi	s section shall
190	not be less t	han the state	e death tax cred	dit allowal	ble under Title
191	26, Section 2	011, USCS.			
192	SECTION	2. Section 2	27-9-11, Mississ	sippi Code	of 1972, is
193	amended as fo	llows:			
194	27-9-11.	For the pur	rposes of the ta	ax imposed	by this chapter
195	the value of	the taxable e	estate shall be	determine	d in the case of
196	a resident by	deducting fr	com the gross es	state, aft	er the
197	deductions pr	ovided for in	Section 27-9-9	have been	n made, the sum
198	of One Hundre	d Twenty Thou	sand Six Hundre	ed Sixty-s	ix Dollars
199	(\$120,666.00)	in the case	of a decedent of	dying in 1	978; the sum of
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One Hundred Thirty-four Thousand Dollars ($134,000.00) in the case
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     of a decedent dying in 1979; the sum of One Hundred Forty-seven
     Thousand Three Hundred Thirty-three Dollars ($147,333.00) in the
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     case of a decedent dying in 1980; the sum of One Hundred Sixty-one
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     Thousand Five Hundred Sixty-three Dollars ($161,563.00) in the
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     case of a decedent dying in 1981; and the sum of One Hundred
     Seventy-five Thousand Six Hundred Twenty-five Dollars
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     ($175,625.00) in the case of a decedent dying in 1982 or any date
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     thereafter prior to October 1, 1988; the sum of Four Hundred
     Thousand Dollars ($400,000.00) in the case of a decedent dying on
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     or after October 1, 1988, but prior to October 1, 1989; the sum of
     Five Hundred Thousand Dollars ($500,000.00) in the case of a
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     decedent dying on or after October 1, 1989, but prior to October
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     1, 1990; the sum of Six Hundred Thousand Dollars ($600,000.00) in
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     the case of a decedent dying on or after October 1, 1990, but
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     prior to January 1, 1998; the sum of Six Hundred Twenty-five
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     Thousand Dollars ($625,000.00) in the case of a decedent dying in
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     1998; the sum of Six Hundred Fifty Thousand Dollars ($650,000.00)
     in the case of a decedent dying in 1999; the sum of Six Hundred
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     Seventy-five Thousand Dollars ($675,000.00) in the case of a
     decedent dying in 2000 or 2001; the amount of the applicable
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     exclusion established under 26 USCS 2010, in the case of a
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     decedent dying * * * in 2002; the sum of Six Hundred Seventy-five
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     Thousand Dollars ($675,000.00) in the case of a decedent dying on
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     or after January 1, 2003.
          SECTION 3. Section 27-9-59, Mississippi Code of 1972, which
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     provides that the estate tax law of this state shall remain in
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     force and effect so long as the government of the United States
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     retains in full force and effect as a part of the revenue laws of
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     the United States a federal estate tax, provides that the estate
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     tax laws shall be repealed when the government of the United
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     States ceases to impose an estate tax, and provides that wherever
     possible the terms of this statute shall be construed in
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- 233 conformity with similar provisions of the estate tax law of the
- 234 United States, is repealed.
- 235 **SECTION 4**. This act shall take effect and be in force from
- 236 and after January 1, 2003.