

By: Representative Watson

To: Ways and Means

HOUSE BILL NO. 1781

1 AN ACT TO AMEND SECTION 27-9-5, MISSISSIPPI CODE OF 1972, TO
2 PROVIDE A STATE ESTATE TAX SCHEDULE FOR DECEDENTS DYING ON OR
3 AFTER JANUARY 1, 2004, THAT IS EQUAL TO THE ESTATE TAX SCHEDULE
4 FOR DECEDENTS DYING BEFORE JANUARY 1, 2000; TO AMEND SECTION
5 27-9-59, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE ESTATE TAX
6 LAW SHALL BE REPEALED FROM AND AFTER JANUARY 1, 2010; AND FOR
7 RELATED PURPOSES.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

9 SECTION 1. Section 27-9-5, Mississippi Code of 1972, is
10 amended as follows:

11 [For decedents dying after March 22, 1956, and before October
12 1, 1988, this section shall read as follows:]

13 27-9-5. A tax equal to the sum of the following percentages
14 of the value of the net estate is hereby imposed upon the transfer
15 of the net estate of every decedent dying after March 22, 1956,
16 and before October 1, 1988, whether a resident or a nonresident of
17 the State of Mississippi:

MISSISSIPPI ESTATE TAX SCHEDULE

Table with 5 columns: Over, But not over, Of excess over, Tax rate, and Tax amount. Rows 19-29.

63 3,500,000 And over 414,600 plus 18.4% 3,500,000

64 Provided, however, that the tax due under this section shall
65 not be less than the state death tax credit allowable under Title
66 26, Section 2011, USCS.

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

69 27-9-5. A tax equal to the sum of the following percentages
70 of the value of the net estate is hereby imposed upon the transfer
71 of the net estate of every decedent dying on or after October 1,
72 1989, and before October 1, 1990, whether a resident or a
73 nonresident of the State of Mississippi:

74 MISSISSIPPI ESTATE TAX SCHEDULE

75	Over	But not over			Of excess over
76	\$ -0-	\$ 100,000		1.4%	
77	100,000	200,000	1,400 plus	2.8%	100,000
78	200,000	400,000	4,200 plus	4.4%	200,000
79	400,000	600,000	13,000 plus	5.75%	400,000
80	600,000	800,000	24,500 plus	6.9%	600,000
81	800,000	1,000,000	38,300 plus	8.3%	800,000
82	1,000,000	1,500,000	54,900 plus	9.7%	1,000,000
83	1,500,000	2,000,000	103,400 plus	10.85%	1,500,000
84	2,000,000	2,500,000	157,650 plus	12.0%	2,000,000
85	2,500,000	3,000,000	217,650 plus	13.15%	2,500,000
86	3,000,000	3,500,000	283,400 plus	14.3%	3,000,000
87	3,500,000	4,000,000	354,900 plus	15.7%	3,500,000
88	4,000,000	5,000,000	433,400 plus	16.1%	4,000,000
89	5,000,000	6,000,000	594,400 plus	16.5%	5,000,000
90	6,000,000	7,000,000	759,400 plus	16.9%	6,000,000
91	7,000,000	8,000,000	928,400 plus	17.3%	7,000,000
92	8,000,000	9,000,000	1,101,400 plus	17.7%	8,000,000
93	9,000,000	10,000,000	1,278,400 plus	18.1%	9,000,000
94	10,000,000 and over		1,459,400 plus	18.5%	10,000,000

95 Provided, however, that the tax due under this section shall
 96 not be less than the state death tax credit allowable under Title
 97 26, Section 2011, USCS.

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

100 27-9-5. A tax equal to the sum of the following percentages
 101 of the value of the net estate is hereby imposed upon the transfer
 102 of the net estate of every decedent dying on or after October 1,
 103 1990, whether a resident or a nonresident of the State of
 104 Mississippi:

105 MISSISSIPPI ESTATE TAX SCHEDULE

106	Over	But not over			Of excess over
107	\$ -0-	\$ 60,000		1%	
108	60,000	100,000	\$ 600 plus	1.6%	60,000
109	100,000	200,000	1,240 plus	2.4%	100,000
110	200,000	400,000	3,640 plus	3.2%	200,000
111	400,000	600,000	10,040 plus	4.0%	400,000
112	600,000	800,000	18,040 plus	4.8%	600,000
113	800,000	1,000,000	27,640 plus	5.6%	800,000
114	1,000,000	1,500,000	38,840 plus	6.4%	1,000,000
115	1,500,000	2,000,000	70,840 plus	7.2%	1,500,000
116	2,000,000	2,500,000	106,840 plus	8.0%	2,000,000
117	2,500,000	3,000,000	146,840 plus	8.8%	2,500,000
118	3,000,000	3,500,000	190,840 plus	9.6%	3,000,000
119	3,500,000	4,000,000	238,840 plus	10.4%	3,500,000
120	4,000,000	5,000,000	290,840 plus	11.2%	4,000,000
121	5,000,000	6,000,000	402,840 plus	12.0%	5,000,000
122	6,000,000	7,000,000	522,840 plus	12.8%	6,000,000
123	7,000,000	8,000,000	650,840 plus	13.6%	7,000,000
124	8,000,000	9,000,000	786,840 plus	14.4%	8,000,000
125	9,000,000	10,000,000	930,840 plus	15.2%	9,000,000
126	10,000,000 and over		1,082,840 plus	16.0%	10,000,000

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

130 **[For decedents dying on or after January 1, 2000, and before**
131 **January 1, 2004, this section shall read as follows:]**

132 27-9-5. A tax is hereby imposed upon the transfer of the net
133 estate of every decedent dying on or after January 1, 2000, in an
134 amount equal to the maximum amount of state death tax credit
135 permissible as a credit or deduction in computing any federal
136 estate tax payable by the estate according to the act of Congress
137 in effect, on the date of the death of the decedent, taxing such
138 estate with respect to the items subject to taxation in
139 Mississippi. The tax imposed by this section shall not exceed the
140 aggregate amounts which may by any law of the United States be
141 allowed to be credited against or deducted for federal estate tax.
142 The tax imposed by this section shall be due in the proportion
143 that the estate located in Mississippi bears to the entire estate
144 wherever located. The estate tax hereby imposed by this section
145 shall only be exercised or enforced to the extent of absorbing the
146 amount of any deduction or credit which may be permitted by the
147 laws of the United States now existing or hereafter enacted to be
148 claimed as a deduction or credit against such similar tax of the
149 United States applicable to Mississippi estates.

150 **[For decedents dying on or after January 1, 2004, this**
151 **section shall read as follows:]**

152 27-9-5. A tax equal to the sum of the following percentages
153 of the value of the net estate is hereby imposed upon the transfer
154 of the net estate of every decedent dying on or after January 1,
155 2004, whether a resident or a nonresident of the State of
156 Mississippi:

157 MISSISSIPPI ESTATE TAX SCHEDULE

	<u>Over</u>	<u>But not over</u>	<u>Of excess over</u>
158	\$ -0-	\$ 60,000	
159			<u>1%</u>

160	<u>60,000</u>	<u>100,000</u>	<u>\$ 600 plus 1.6%</u>	<u>60,000</u>
161	<u>100,000</u>	<u>200,000</u>	<u>1,240 plus 2.4%</u>	<u>100,000</u>
162	<u>200,000</u>	<u>400,000</u>	<u>3,640 plus 3.2%</u>	<u>200,000</u>
163	<u>400,000</u>	<u>600,000</u>	<u>10,040 plus 4.0%</u>	<u>400,000</u>
164	<u>600,000</u>	<u>800,000</u>	<u>18,040 plus 4.8%</u>	<u>600,000</u>
165	<u>800,000</u>	<u>1,000,000</u>	<u>27,640 plus 5.6%</u>	<u>800,000</u>
166	<u>1,000,000</u>	<u>1,500,000</u>	<u>38,840 plus 6.4%</u>	<u>1,000,000</u>
167	<u>1,500,000</u>	<u>2,000,000</u>	<u>70,840 plus 7.2%</u>	<u>1,500,000</u>
168	<u>2,000,000</u>	<u>2,500,000</u>	<u>106,840 plus 8.0%</u>	<u>2,000,000</u>
169	<u>2,500,000</u>	<u>3,000,000</u>	<u>146,840 plus 8.8%</u>	<u>2,500,000</u>
170	<u>3,000,000</u>	<u>3,500,000</u>	<u>190,840 plus 9.6%</u>	<u>3,000,000</u>
171	<u>3,500,000</u>	<u>4,000,000</u>	<u>238,840 plus 10.4%</u>	<u>3,500,000</u>
172	<u>4,000,000</u>	<u>5,000,000</u>	<u>290,840 plus 11.2%</u>	<u>4,000,000</u>
173	<u>5,000,000</u>	<u>6,000,000</u>	<u>402,840 plus 12.0%</u>	<u>5,000,000</u>
174	<u>6,000,000</u>	<u>7,000,000</u>	<u>522,840 plus 12.8%</u>	<u>6,000,000</u>
175	<u>7,000,000</u>	<u>8,000,000</u>	<u>650,840 plus 13.6%</u>	<u>7,000,000</u>
176	<u>8,000,000</u>	<u>9,000,000</u>	<u>786,840 plus 14.4%</u>	<u>8,000,000</u>
177	<u>9,000,000</u>	<u>10,000,000</u>	<u>930,840 plus 15.2%</u>	<u>9,000,000</u>
178	<u>10,000,000 and over</u>		<u>1,082,840 plus 16.0%</u>	<u>10,000,000</u>

179 Provided, however, that the tax due under this section shall
180 not be less than the state death tax credit allowable under Title
181 26, Section 2011, USCS.

182 **SECTION 2.** Section 27-9-59, Mississippi Code of 1972, is
183 amended as follows:

184 27-9-59. This chapter shall stand repealed from and after
185 January 1, 2010. Wherever possible the terms of this chapter
186 shall be construed in conformity with similar provisions of the
187 estate tax law of the United States.

188 **SECTION 3.** This act shall take effect and be in force from
189 and after January 1, 2004.