

By: Senator(s) Dawkins

To: Finance

SENATE BILL NO. 3099

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 13 THAT THE ESTATE TAX LAWS SHALL BE REPEALED WHEN THE GOVERNMENT OF  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

18 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:

21 **[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  
 25 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	But 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





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 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.

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

110        27-9-5. A tax equal to the sum of the following percentages  
111 of the value of the net estate is hereby imposed upon the transfer  
112 of the net estate of every decedent dying on or after October 1,  
113 1990, whether a resident or a nonresident of the State of  
114 Mississippi:

MISSISSIPPI ESTATE TAX SCHEDULE

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

134	8,000,000	9,000,000	786,840 plus 14.4%	8,000,000
135	9,000,000	10,000,000	930,840 plus 15.2%	9,000,000
136	10,000,000 and over		1,082,840 plus 16.0%	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  
139 Title 26, Section 2011, USCS.

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

142        27-9-5. A tax is hereby imposed upon the transfer of the net  
143 estate of every decedent dying on or after January 1, 2000, in an  
144 amount equal to the maximum amount of state death tax credit  
145 permissible as a credit or deduction in computing any federal  
146 estate tax payable by the estate according to the act of Congress  
147 in effect, on the date of the death of the decedent, taxing such  
148 estate with respect to the items subject to taxation in  
149 Mississippi. The tax imposed by this section shall not exceed the  
150 aggregate amounts which may by any law of the United States be  
151 allowed to be credited against or deducted for federal estate tax.  
152 The tax imposed by this section shall be due in the proportion  
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  
156 amount of any deduction or credit which may be permitted by the  
157 laws of the United States now existing or hereafter enacted to be  
158 claimed as a deduction or credit against such similar tax of the  
159 United States applicable to Mississippi estates.

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

162        27-9-5. A tax equal to the sum of the following percentages  
163 of the value of the net estate is hereby imposed upon the transfer  
164 of the net estate of every decedent dying on or after January 1,  
165 2003, whether a resident or a nonresident of the State of  
166 Mississippi:

MISSISSIPPI ESTATE TAX SCHEDULE					
	<u>Over</u>	<u>But not over</u>			<u>Of excess over</u>
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 and over		1,082,840 plus	16.0%	10,000,000

189 Provided, however, that the tax due under this section shall  
190 not be less than the state death tax credit allowable under Title  
191 26, Section 2011, USCS.

192 **SECTION 2.** Section 27-9-11, Mississippi Code of 1972, is  
193 amended as follows:

194 27-9-11. For the purposes of the tax imposed by this chapter  
195 the value of the taxable estate shall be determined in the case of  
196 a resident by deducting from the gross estate, after the  
197 deductions provided for in Section 27-9-9 have been made, the sum  
198 of One Hundred Twenty Thousand Six Hundred Sixty-six Dollars  
199 (\$120,666.00) in the case of a decedent dying in 1978; the sum of

200 One Hundred Thirty-four Thousand Dollars (\$134,000.00) in the case  
201 of a decedent dying in 1979; the sum of One Hundred Forty-seven  
202 Thousand Three Hundred Thirty-three Dollars (\$147,333.00) in the  
203 case of a decedent dying in 1980; the sum of One Hundred Sixty-one  
204 Thousand Five Hundred Sixty-three Dollars (\$161,563.00) in the  
205 case of a decedent dying in 1981; and the sum of One Hundred  
206 Seventy-five Thousand Six Hundred Twenty-five Dollars  
207 (\$175,625.00) in the case of a decedent dying in 1982 or any date  
208 thereafter prior to October 1, 1988; the sum of Four Hundred  
209 Thousand Dollars (\$400,000.00) in the case of a decedent dying on  
210 or after October 1, 1988, but prior to October 1, 1989; the sum of  
211 Five Hundred Thousand Dollars (\$500,000.00) in the case of a  
212 decedent dying on or after October 1, 1989, but prior to October  
213 1, 1990; the sum of Six Hundred Thousand Dollars (\$600,000.00) in  
214 the case of a decedent dying on or after October 1, 1990, but  
215 prior to January 1, 1998; the sum of Six Hundred Twenty-five  
216 Thousand Dollars (\$625,000.00) in the case of a decedent dying in  
217 1998; the sum of Six Hundred Fifty Thousand Dollars (\$650,000.00)  
218 in the case of a decedent dying in 1999; the sum of Six Hundred  
219 Seventy-five Thousand Dollars (\$675,000.00) in the case of a  
220 decedent dying in 2000 or 2001; the amount of the applicable  
221 exclusion established under 26 USCS 2010, in the case of a  
222 decedent dying \* \* \* in 2002; the sum of Six Hundred Seventy-five  
223 Thousand Dollars (\$675,000.00) in the case of a decedent dying on  
224 or after January 1, 2004.

225       **SECTION 3.** Section 27-9-59, Mississippi Code of 1972, which  
226 provides that the estate tax law of this state shall remain in  
227 force and effect so long as the government of the United States  
228 retains in full force and effect as a part of the revenue laws of  
229 the United States a federal estate tax, provides that the estate  
230 tax laws shall be repealed when the government of the United  
231 States ceases to impose an estate tax, and provides that wherever  
232 possible the terms of this statute shall be construed in

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, 2004.