By: Representative Gunn

To: Ways and Means

#### HOUSE BILL NO. 795

- AN ACT TO AMEND SECTION 27-9-5, MISSISSIPPI CODE OF 1972, TO CLARIFY THAT THE LEVY OF STATE ESTATE TAX AND THE TRANSFER OF A NET ESTATE IS SUBJECT TO A STATE DEATH TAX CREDIT IN THE AMOUNT PERMITTED AS A CREDIT IN COMPUTING FEDERAL ESTATE TAX; AND FOR
- 4 PERMITTED AS A CREDIT IN COMPUTING FEDERAL ESTATE TAX; AND FOR 5 RELATED PURPOSES.
- 5 RELATED TORTOBED.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
- 7 **SECTION 1.** Section 27-9-5, Mississippi Code of 1972, is
- 8 amended as follows:
- 9 [For decedents dying after March 22, 1956, and before October
- 10 1, 1988, this section shall read as follows:]
- 11 27-9-5. A tax equal to the sum of the following percentages
- 12 of the value of the net estate is hereby imposed upon the transfer
- 13 of the net estate of every decedent dying after March 22, 1956,
- 14 and before October 1, 1988, whether a resident or a nonresident of
- 15 the State of Mississippi:
- 16 MISSISSIPPI ESTATE TAX SCHEDULE

17		Over	Bu	it not over					Of	excess	over
18	\$	-0-	\$	60,000				1%			
19		60,000		100,000	\$	600	plus	1.6%		60,000	)
20		100,000		200,000		1,240	plus	2.4%		100,000	)
21		200,000		400,000		3,640	plus	3.2%		200,000	)
22		400,000		600,000		10,040	plus	4.0%		400,000	)
23		600,000		800,000		18,040	plus	4.8%		600,000	)
24		800,000	1	,000,000		27,640	plus	5.6%		800,000	)
25	1	,000,000	1	,500,000		38,840	plus	6.4%	1	,000,000	)
26	1	,500,000	2	2,000,000		70,840	plus	7.2%	1	,500,000	)
27	2	,000,000	2	,500,000	1	06,840	plus	8.0%	2	,000,000	)
28	2	,500,000	3	,000,000	1	46,840	plus	8.8%	2	,500,000	)

. 795 \*HR40/R1126\*

29	3,000,000	3,500,000	190,840 plus	9.6%	3,000,000
30	3,500,000	4,000,000	238,840 plus	10.4%	3,500,000
31	4,000,000	5,000,000	290,840 plus	11.2%	4,000,000
32	5,000,000	6,000,000	402,840 plus	12.0%	5,000,000
33	6,000,000	7,000,000	522,840 plus	12.8%	6,000,000
34	7,000,000	8,000,000	650,840 plus	13.6%	7,000,000
35	8,000,000	9,000,000	786,840 plus	14.4%	8,000,000
36	9,000,000	10,000,000	930,840 plus	15.2%	9,000,000
37	10,000,000	and over	1,082,840 plus	16.0%	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 42 October 1, 1989, this section shall read as follows:]

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

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

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

46 1988, and before October 1, 1989, whether a resident or a

47 nonresident of the State of Mississippi:

48 MISSISSIPPI ESTATE TAX SCHEDULE

49		Over	Вι	ıt not over						Of	exce	ss	over
50	\$	-0-	\$	100,000				1.	7%				
51	1	100,000		200,000	1,7	700	plus	3.	4%		100	,00	0
52	2	200,000		400,000	5,1	L00	plus	5.	2%		200	,00	0
53	4	100,000		600,000	15,5	500	plus	6.	6%		400	,00	0
54	6	500,000		800,000	28,7	700	plus	8.	0%		600	,00	0
55	8	300,000	1	,000,000	44,7	700	plus	9.	7%		800	,00	0
56	1,0	000,000	1	500,000	64,1	L00	plus	11.	4%		1,000	,00	0
57	1,5	500,000	2	,000,000	121,1	L00	plus	12.	7%		1,500	,00	0
58	2,0	000,000	2	500,000	184,6	500	plus	14.	0%		2,000	,00	0
59	2,5	500,000	3 ,	,000,000	254,6	500	plus	15.	3%		2,500	,00	0
60	3,0	000,000	3 ,	500,000	331,1	L00	plus	16.	7%		3,000	,00	0
61	3,5	500,000	Ar	nd over	414,6	500	plus	18.	4%		3,500	,00	0

H. B. No. 795 \*HR40/R1126\*

05/HR40/R1126 PAGE 2 (BS\BD) 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:

72		MISSISSIPI	PI ESTATE TAX SCHED	ULE
73	Over	But not over		Of excess over
74	\$ -0-	\$ 100,000	1.4	1%
75	100,000	200,000	1,400 plus 2.8	100,000
76	200,000	400,000	4,200 plus 4.4	1% 200,000
77	400,000	600,000	13,000 plus 5.7	75% 400,000
78	600,000	800,000	24,500 plus 6.9	8 600,000
79	800,000	1,000,000	38,300 plus 8.3	800,000
80	1,000,000	1,500,000	54,900 plus 9.7	1,000,000
81	1,500,000	2,000,000	103,400 plus 10.8	1,500,000
82	2,000,000	2,500,000	157,650 plus 12.0	2,000,000
83	2,500,000	3,000,000	217,650 plus 13.1	2,500,000
84	3,000,000	3,500,000	283,400 plus 14.3	3,000,000
85	3,500,000	4,000,000	354,900 plus 15.5	7% 3,500,000
86	4,000,000	5,000,000	433,400 plus 16.1	4,000,000
87	5,000,000	6,000,000	594,400 plus 16.5	5,000,000
88	6,000,000	7,000,000	759,400 plus 16.9	6,000,000
89	7,000,000	8,000,000	928,400 plus 17.3	7,000,000
90	8,000,000	9,000,000	1,101,400 plus 17.	8,000,000
91	9,000,000	10,000,000	1,278,400 plus 18.1	9,000,000
92	10,000,000	and over	1,459,400 plus 18.5	5% 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.

### 96 [For decedents dying on or after October 1, 1990, and before 97 January 1, 2000, this section shall read as follows:]

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

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

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

101 1990, whether a resident or a nonresident of the State of

#### 103 MISSISSIPPI ESTATE TAX SCHEDULE

Mississippi:

102

104	Over	But not ov	er	Of excess over
105	\$ -0-	\$ 60,000	1%	
106	60,000	100,000	\$ 600 plus 1.	68 60,000
107	100,000	200,000	1,240 plus 2.	100,000
108	200,000	400,000	3,640 plus 3.	2% 200,000
109	400,000	600,000	10,040 plus 4.	0% 400,000
110	600,000	800,000	18,040 plus 4.	8% 600,000
111	800,000	1,000,000	27,640 plus 5.	6% 800,000
112	1,000,000	1,500,000	38,840 plus 6.	1,000,000
113	1,500,000	2,000,000	70,840 plus 7.	2% 1,500,000
114	2,000,000	2,500,000	106,840 plus 8.	0% 2,000,000
115	2,500,000	3,000,000	146,840 plus 8.	2,500,000
116	3,000,000	3,500,000	190,840 plus 9.	3,000,000
117	3,500,000	4,000,000	238,840 plus 10.	4% 3,500,000
118	4,000,000	5,000,000	290,840 plus 11.	2% 4,000,000
119	5,000,000	6,000,000	402,840 plus 12.	0% 5,000,000
120	6,000,000	7,000,000	522,840 plus 12.	6,000,000
121	7,000,000	8,000,000	650,840 plus 13.	7,000,000
122	8,000,000	9,000,000	786,840 plus 14.	4% 8,000,000
123	9,000,000	10,000,000	930,840 plus 15.	2% 9,000,000
124	10,000,000	and over	1,082,840 plus 16.	0% 10,000,000

- 125 Provided, however, that the tax due under this said section 126 shall not be less than the state death tax credit allowable under 127 Title 26, Section 2011, USCS.
- 128 [For decedents dying on or after January 1, 2000, this 129 section shall read as follows:]
- 130 27-9-5. A tax is hereby imposed upon the transfer of the net estate of every decedent dying on or after January 1, 2000, in an 131 amount equal to the maximum amount of state death tax credit 132 133 permissible as a credit \* \* \* in computing any federal estate tax payable by the estate according to the act of Congress in effect, 134 135 on the date of the death of the decedent, taxing such estate with respect to the items subject to taxation in Mississippi. The tax 136 137 imposed by this section shall not exceed the aggregate amounts which may by any law of the United States be allowed to be 138 credited against \* \* \* federal estate tax. The tax imposed by 139 140 this section shall be due in the proportion that the estate 141 located in Mississippi bears to the entire estate wherever 142 located. The estate tax hereby imposed by this section shall only be exercised or enforced to the extent of absorbing the amount of 143 144 any \* \* \* credit which may be permitted by the laws of the United States now existing or hereafter enacted to be claimed as a \* \* \* 145 146 credit against such similar tax of the United States applicable to 147 Mississippi estates.
- 148 **SECTION 2.** This act shall take effect and be in force from 149 and after January 1, 2005.