

117TH CONGRESS
1ST SESSION

H. R. 1712

To amend the Internal Revenue Code of 1986 to repeal the estate and generation-skipping transfer taxes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 9, 2021

Mr. SMITH of Missouri (for himself, Mr. BISHOP of Georgia, Mr. TAYLOR, Mr. BIGGS, Mr. STEUBE, Mr. DESJARLAIS, Mr. ALLEN, Mr. KELLY of Pennsylvania, Mr. NORMAN, Mr. BURCHETT, Mr. DUNCAN, Mr. JOYCE of Pennsylvania, Mr. WESTERMAN, Mr. THOMPSON of Pennsylvania, Mr. PERRY, Mr. BANKS, Mr. KELLY of Mississippi, Mr. CALVERT, Mr. BISHOP of North Carolina, Mr. KINZINGER, Mr. HIGGINS of Louisiana, Mr. PALMER, Mr. CLINE, Mrs. WALORSKI, Mr. RODNEY DAVIS of Illinois, Mr. LONG, Mr. GIBBS, Mr. GRAVES of Missouri, Mr. BACON, Mr. GUEST, Mr. YOUNG, Mr. STIVERS, Mr. KELLER, Mr. ARRINGTON, Mr. KUSTOFF, Mrs. LESKO, Mrs. MILLER of West Virginia, Mr. COMER, Ms. FOXX, Mr. ROY, Mr. WILSON of South Carolina, Mr. LUETKEMEYER, Mr. WITTMAN, Mr. RESCHENTHALER, Mr. JOHNSON of Louisiana, Mr. KATKO, Mr. JACKSON, Mr. MAST, Mr. BARR, Mr. GUTHRIE, Mrs. HINSON, Mr. DAVIDSON, Mr. LAHOOD, Mr. FULCHER, Mr. BOST, Mr. ROUZER, Mr. HARRIS, Mr. HICE of Georgia, Mr. BUDD, Mr. BILIRAKIS, Mr. FEENSTRA, Mr. EMMER, Mr. CLOUD, Mr. CARTER of Georgia, Mr. SMITH of Nebraska, Mr. PENCE, Mr. MCCLINTOCK, Mr. BAIRD, Mr. NEWHOUSE, Mr. HILL, Mr. ROSENDALE, Mr. LATTA, Mr. SESSIONS, Mr. MANN, Mrs. STEEL, Ms. HERRELL, Mr. STEIL, Mr. GOSAR, Mrs. WAGNER, Mr. HERN, Mr. HUIZENGA, Mr. ARMSTRONG, Mrs. RODGERS of Washington, Mr. TURNER, Mr. CARL, Mr. CRAWFORD, Mr. STAUBER, Mr. OWENS, Mr. CAWTHORN, Mr. HAGEDORN, Mr. BUCK, Mr. GAETZ, Mr. ROGERS of Alabama, Mr. CRENSHAW, Mrs. MCCLAIN, Mr. JORDAN, Mr. WOMACK, Mr. PFLUGER, Mr. GREEN of Tennessee, Mr. MOORE of Alabama, Mr. VALADAO, Mr. SMUCKER, Mrs. HARSHBARGER, Mr. GARBARINO, Mr. TIFFANY, Mr. AUSTIN SCOTT of Georgia, Mr. GARCIA of California, Mr. CURTIS, Mr. SIMPSON, Mr. FERGUSON, Mr. JOHNSON of Ohio, Mr. WEBER of Texas, Mr. NEHLS, Mrs. BICE of Oklahoma, Mr. BROOKS, Mr. FITZGERALD, Mr. NUNES, Mr. ROSE, Mrs. HARTZLER, Mr. MCCAUL, Mr. WILLIAMS of Texas, and Mr. BALDERSON) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to repeal the estate and generation-skipping transfer taxes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Death Tax Repeal
 5 Act”.

6 **SEC. 2. REPEAL OF ESTATE AND GENERATION-SKIPPING**
 7 **TRANSFER TAXES.**

8 (a) ESTATE TAX REPEAL.—

9 (1) IN GENERAL.—Subchapter C of chapter 11
 10 of subtitle B of the Internal Revenue Code of 1986
 11 is amended by adding at the end the following new
 12 section:

13 **“SEC. 2210. TERMINATION.**

14 “(a) IN GENERAL.—Except as provided in subsection
 15 (b), this chapter shall not apply to the estates of decedents
 16 dying on or after the date of the enactment of the Death
 17 Tax Repeal Act.

18 “(b) CERTAIN DISTRIBUTIONS FROM QUALIFIED
 19 DOMESTIC TRUSTS.—In applying section 2056A with re-
 20 spect to the surviving spouse of a decedent dying before
 21 the date of the enactment of the Death Tax Repeal Act—

1 “(1) section 2056A(b)(1)(A) shall not apply to
2 distributions made after the 10-year period begin-
3 ning on such date, and

4 “(2) section 2056A(b)(1)(B) shall not apply on
5 or after such date.”.

6 (2) CLERICAL AMENDMENT.—The table of sec-
7 tions for subchapter C of chapter 11 of the Internal
8 Revenue Code of 1986 is amended by adding at the
9 end the following new item:

“Sec. 2210. Termination.”.

10 (b) GENERATION-SKIPPING TRANSFER TAX RE-
11 PEAL.—

12 (1) IN GENERAL.—Subchapter G of chapter 13
13 of subtitle B of such Code is amended by adding at
14 the end the following new section:

15 **“SEC. 2664. TERMINATION.**

16 “‘This chapter shall not apply to generation-skipping
17 transfers on or after the date of the enactment of the
18 Death Tax Repeal Act.’”.

19 (2) CLERICAL AMENDMENT.—The table of sec-
20 tions for subchapter G of chapter 13 of such Code
21 is amended by adding at the end the following new
22 item:

“Sec. 2664. Termination.”.

23 (c) CONFORMING AMENDMENTS RELATED TO GIFT
24 TAX.—

1 (1) COMPUTATION OF GIFT TAX.—Subsection
2 (a) of section 2502 of the Internal Revenue Code of
3 1986 is amended to read as follows:

4 “(a) COMPUTATION OF TAX.—

5 “(1) IN GENERAL.—The tax imposed by section
6 2501 for each calendar year shall be an amount
7 equal to the excess of—

8 “(A) a tentative tax, computed under para-
9 graph (2), on the aggregate sum of the taxable
10 gifts for such calendar year and for each of the
11 preceding calendar periods, over

12 “(B) a tentative tax, computed under para-
13 graph (2), on the aggregate sum of the taxable
14 gifts for each of the preceding calendar periods.

15 “(2) RATE SCHEDULE.—

**“If the amount with respect
to which the tentative tax
to be computed is:**

Not over \$10,000
Over \$10,000 but not over \$20,000.
Over \$20,000 but not over \$40,000.
Over \$40,000 but not over \$60,000.
Over \$60,000 but not over \$80,000.
Over \$80,000 but not over \$100,000.
Over \$100,000 but not over \$150,000.
Over \$150,000 but not over \$250,000.
Over \$250,000 but not over \$500,000.
Over \$500,000

The tentative tax is:

18% of such amount.
\$1,800, plus 20% of the excess over \$10,000.
\$3,800, plus 22% of the excess over \$20,000.
\$8,200, plus 24% of the excess over \$40,000.
\$13,000, plus 26% of the excess over \$60,000.
\$18,200, plus 28% of the excess over \$80,000.
\$23,800, plus 30% of the excess over \$100,000.
\$38,800, plus 32% of the excess of \$150,000.
\$70,800, plus 34% of the excess over \$250,000.
\$155,800, plus 35% of the excess of \$500,000.”.

1 (2) LIFETIME GIFT EXEMPTION.—

2 (A) IN GENERAL.—Paragraph (1) of sec-
3 tion 2505(a) of the Internal Revenue Code of
4 1986 is amended to read as follows:

5 “(1) the amount of the tentative tax which
6 would be determined under the rate schedule set
7 forth in section 2502(a)(2) if the amount with re-
8 spect to which such tentative tax is to be computed
9 were \$10,000,000, reduced by”.

10 (B) INFLATION ADJUSTMENT.—Section
11 2505 of such Code is amended by adding at the
12 end the following new subsection:

13 “(d) INFLATION ADJUSTMENT.—

14 “(1) IN GENERAL.—In the case of any calendar
15 year after 2011, the dollar amount in subsection
16 (a)(1) shall be increased by an amount equal to—

17 “(A) such dollar amount, multiplied by

18 “(B) the cost-of-living adjustment deter-
19 mined under section 1(f)(3) for such calendar
20 year by substituting ‘calendar year 2010’ for
21 ‘calendar year 2016’ in subparagraph (A)(ii)
22 thereof.

23 “(2) ROUNDING.—If any amount as adjusted
24 under paragraph (1) is not a multiple of \$10,000,

1 such amount shall be rounded to the nearest mul-
2 tiple of \$10,000.”.

3 (3) OTHER CONFORMING AMENDMENTS RE-
4 LATED TO GIFT TAX.—

5 (A) The heading for section 2505 of such
6 Code is amended by striking “**UNIFIED**”.

7 (B) The item in the table of sections for
8 subchapter A of chapter 12 of such Code relat-
9 ing to section 2505 is amended to read as fol-
10 lows:

“Sec. 2505. Credit against gift tax.”.

11 (C) Section 2801(a)(1) of such Code is
12 amended by striking “section 2001(c) as in ef-
13 fect on the date of such receipt” and inserting
14 “section 2502(a)(2)”.

15 (d) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to estates of decedents dying, gen-
17 eration-skipping transfers, and gifts made, on or after the
18 date of the enactment of this Act.

19 (e) TRANSITION RULE.—

20 (1) IN GENERAL.—For purposes of applying
21 sections 1015(d), 2502, and 2505 of the Internal
22 Revenue Code of 1986, the calendar year in which
23 this Act is enacted shall be treated as two separate
24 calendar years one of which ends on the day before

1 the date of the enactment of this Act and the other
2 of which begins on such date of enactment.

3 (2) APPLICATION OF SECTION 2504(b).—For
4 purposes of applying section 2504(b) of the Internal
5 Revenue Code of 1986, the calendar year in which
6 this Act is enacted shall be treated as one preceding
7 calendar period.

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