

## S 2899

### Responsible Estate Tax Act

**Congress:** 113 (2013–2015, Ended)

**Chamber:** Senate

**Policy Area:** Taxation

**Introduced:** Sep 18, 2014

**Current Status:** Read twice and referred to the Committee on Finance.

**Latest Action:** Read twice and referred to the Committee on Finance. (Sep 18, 2014)

**Official Text:** <https://www.congress.gov/bill/113th-congress/senate-bill/2899>

### Sponsor

**Name:** Sen. Sanders, Bernard [I-VT]

**Party:** Independent • **State:** VT • **Chamber:** Senate

### Cosponsors

*No cosponsors are listed for this bill.*

### Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Sep 18, 2014

### Subjects & Policy Tags

#### Policy Area:

Taxation

### Related Bills

Bill	Relationship	Last Action
113 HR 4061	Related bill	<b>Feb 14, 2014:</b> Referred to the House Committee on Ways and Means.
113 HR 505	Related bill	<b>Apr 23, 2013:</b> Referred to the Subcommittee on Higher Education and Workforce Training.

Responsible Estate Tax Act - Amends the Internal Revenue Code, with respect to estate, gift, and generation-skipping transfer taxes, to: (1) revise estate tax rates to impose an increased tax for estates over \$3.5 million and a maximum tax rate of 55% for estates over \$50 million; (2) impose a 10% surtax on estates over \$500 million; (3) reduce the basic estate tax exclusion amount from \$5 million to \$3.5 million; (4) increase to \$3 million the reduction in valuations of farmland for estate tax purposes and adjust such increased amount for inflation after 2014; and (5) increase to \$2 million the maximum estate tax exclusion for contributions of conservation easements.

Requires that the value of the basis in any property acquired from a decedent or by gift be consistent with the basis as determined for estate and gift tax purposes. Requires executors of estates and donors of gifts required to file a gift tax return to disclose to the Secretary of the Treasury, and to recipients of any interest in an estate or a gift, information identifying the value of each interest received.

Sets forth estate valuation rules for certain transfers of nonbusiness assets and limits estate tax discounts for certain individuals with minority interests in a business acquired from a decedent.

Expands rules for valuing assets in grantor retained annuity trusts to require that: (1) the right to receive fixed amounts from an annuity last for a term of not less than 10 years and that such fixed amounts not decrease during the first 10 years of the annuity term, and (2) the remainder interest have a value greater than 10% when transferred.

Sets forth rules for the application of transfer taxes to a grantor trust (a trust in which the grantor retains control over the trust assets and has the right to receive income from the trust).

### **Actions Timeline**

---

- **Sep 18, 2014:** Introduced in Senate
- **Sep 18, 2014:** Read twice and referred to the Committee on Finance.