

HR 4061

Sensible Estate Tax Act of 2014

Congress: 113 (2013–2015, Ended)

Chamber: House

Policy Area: Taxation

Introduced: Feb 14, 2014

Current Status: Referred to the House Committee on Ways and Means.

Latest Action: Referred to the House Committee on Ways and Means. (Feb 14, 2014)

Official Text: <https://www.congress.gov/bill/113th-congress/house-bill/4061>

Sponsor

Name: Rep. McDermott, Jim [D-WA-7]

Party: Democratic • **State:** WA • **Chamber:** House

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

| Committee | Chamber | Activity | Date |
|--------------------------|---------|-------------|--------------|
| Ways and Means Committee | House | Referred To | Feb 14, 2014 |

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

| Bill | Relationship | Last Action |
|------------|--------------|--|
| 113 S 2899 | Related bill | Sep 18, 2014: Read twice and referred to the Committee on Finance. |
| 113 HR 505 | Related bill | Apr 23, 2013: Referred to the Subcommittee on Higher Education and Workforce Training. |

Sensible Estate Tax Act of 2014 - Amends the Internal Revenue Code to: (1) establish new estate tax rates of between 41% (for estates with a value in excess of \$1,000,000) and 55% (for estates with a value in excess of \$10 million), (2) allow a \$1 million estate tax exclusion, and (3) provide for an inflation adjustment to such amounts for decedents dying after 2014.

Restores the estate tax credit for any estate, inheritance, legacy, or succession taxes paid to a state (expired after 2004). Repeals the deduction currently allowed for such taxes.

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.

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.

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 zero when transferred.

Terminates the generation-skipping transfer exemption for certain long-term trusts (perpetual dynasty trusts) 90 years after the establishment of such trusts.

Actions Timeline

- **Feb 14, 2014:** Introduced in House
- **Feb 14, 2014:** Referred to the House Committee on Ways and Means.
- **Feb 11, 2014:** Sponsor introductory remarks on measure. (CR E203)