

ENGROSSED SENATE AMENDMENTS
TO
(2ND EXTRAORDINARY SESSION)
ENGROSSED HOUSE
BILL NO. 1172

By: Benge, Newport, Adkins, Balkman,
Braddock, Calvey, Cooksey,
Covey, DePue, Duncan, Hiett,
Martin, McMullen, Perry, Piatt,
Roggow, Smaligo, Sweeden,
Terrill, Tibbs, Worthen and
Wright of the House

and

Crutchfield and Rabon of the
Senate

An Act relating to revenue and taxation; amending 68 O.S. 2001, Section 809, which relates to exemptions from estate tax; modifying exemption amounts applicable to estates of certain decedents* * * modifying tax rate applicable to certain amounts of taxable income; providing certain tax rate for certain taxable years contingent upon computation of revenue performance; imposing certain duties on State Board of Equalization related to implementation of certain top marginal income tax rate; prescribing method for computation; amending 68 O.S. 2001, * * * 807, as amended by Section 11, Chapter 472, O.S.L. 2003, 808, 809, as amended by Section 1 of this act, 810, 811, as amended by Section 2, Chapter 535, O.S.L. 2004, 812, 813, 814, 815, as last amended by * * *, which relate to the imposition and collection of a tax on the estate of a decedent; providing for codification; and providing effective dates.

AUTHORS: Add the following Senate Coauthors: Gumm, Branan, Lawler, Nichols, Aldridge, Barrington, Wilcoxson, Crain, Jolley, Ford, Justice, Lamb, Schulz, Williamson, Laughlin, Coffee, Mazzei, Coates, Myers, Reynolds, Brogdon, Anderson, Riley and Pruitt

AUTHOR: Add the following House Coauthor: Wesselhoft

AMENDMENT NO. 1. Page 1, line 30 1/2, insert a new Section 1 to read

"SECTION 1. AMENDATORY 68 O.S. 2001, Section 803, is amended to read as follows:

Section 803. ~~The~~ For the estate of a decedent who dies on or after January 1, 2007, the rate of tax upon the net estate and

transfers, as defined and determined under ~~this Article,~~ Section 801 et seq. of this title shall be ~~determined and computed~~ as follows:

~~1. Upon the net estate and transfers passing to the father, mother, child, child of husband or wife, adopted child, or any lineal descendant of decedent or of such adopted child, the rate shall be as follows:~~

~~(a) 1.~~ 1. Five-tenths percent (0.5%) of the value of the net estate not in excess of Ten Thousand Dollars (\$10,000.00)~~;~~;

~~(b) 2.~~ 2. One percent (1%) of the value of the net estate in excess of Ten Thousand Dollars (\$10,000.00), and not in excess of Twenty Thousand Dollars (\$20,000.00)~~;~~;

~~(c) 3.~~ 3. One and five-tenths percent (1.5%) of the value of the net estate in excess of Twenty Thousand Dollars (\$20,000.00), and not in excess of Forty Thousand Dollars (\$40,000.00)~~;~~;

~~(d) 4.~~ 4. Two percent (2%) of the value of the net estate in excess of Forty Thousand Dollars (\$40,000.00), and not in excess of Sixty Thousand Dollars (\$60,000.00)~~;~~;

~~(e) 5.~~ 5. Two and five-tenths percent (2.5%) of the value of the net estate in excess of Sixty Thousand Dollars (\$60,000.00), and not in excess of One Hundred Thousand Dollars (\$100,000.00)~~;~~;

~~(f) 6.~~ 6. Three percent (3%) of the value of the net estate in excess of One Hundred Thousand Dollars (\$100,000.00), and not in excess of Two Hundred Fifty Thousand Dollars (\$250,000.00)~~;~~;

~~(g) 7.~~ 7. Six and five-tenths percent (6.5%) of the value of the net estate in excess of Two Hundred Fifty Thousand Dollars (\$250,000.00), and not in excess of Five Hundred Thousand Dollars (\$500,000.00)~~;~~;

~~(h) 8.~~ 8. Seven percent (7%) of the value of the net estate in excess of Five Hundred Thousand Dollars (\$500,000.00), and not in excess of Seven Hundred Fifty Thousand Dollars (\$750,000.00)~~;~~;

~~(i) 9.~~ 9. Seven and five-tenths percent (7.5%) of the value of the net estate in excess of Seven Hundred Fifty Thousand Dollars

(\$750,000.00), and not in excess of One Million Dollars (\$1,000,000.00)~~;~~;

~~(j)~~ 10. Eight percent (8%) of the value of the net estate in excess of One Million Dollars (\$1,000,000.00), and not in excess of Three Million Dollars (\$3,000,000.00)~~;~~;

~~(k)~~ 11. Eight and five-tenths percent (8.5%) of the value of the net estate in excess of Three Million Dollars (\$3,000,000.00), and not in excess of Five Million Dollars (\$5,000,000.00)~~;~~;

~~(l)~~ 12. Nine percent (9%) of the value of the net estate in excess of Five Million Dollars (\$5,000,000.00), and not in excess of Ten Million Dollars (\$10,000,000.00)~~;~~; and

~~(m)~~ 13. Ten percent (10%) of the value of the net estate in excess of Ten Million Dollars (\$10,000,000.00).

~~2.~~ ~~The tax upon the net estate and transfers other than those transfers specified in paragraph 1, above, shall be at the following rates:~~

~~(a) One percent (1%) of the value of the net estate not in excess of Ten Thousand Dollars (\$10,000.00).~~

~~(b) Two percent (2%) of the value of the net estate in excess of Ten Thousand Dollars (\$10,000.00), and not in excess of Twenty Thousand Dollars (\$20,000.00).~~

~~(c) Three percent (3%) of the value of the net estate in excess of Twenty Thousand Dollars (\$20,000.00), and not in excess of Forty Thousand Dollars (\$40,000.00).~~

~~(d) Four percent (4%) of the value of the net estate in excess of Forty Thousand Dollars (\$40,000.00), and not in excess of Sixty Thousand Dollars (\$60,000.00).~~

~~(e) Five percent (5%) of the value of the net estate in excess of Sixty Thousand Dollars (\$60,000.00), and not in excess of One Hundred Thousand Dollars (\$100,000.00).~~

~~(f) Six percent (6%) of the value of the net estate in excess of One Hundred Thousand Dollars (\$100,000.00), and not in excess of Two Hundred Fifty Thousand Dollars (\$250,000.00).~~

~~(g) Thirteen percent (13%) of the value of the net estate in excess of Two Hundred Fifty Thousand Dollars (\$250,000.00), and not in excess of Five Hundred Thousand Dollars (\$500,000.00).~~

~~(h) Fourteen percent (14%) of the value of the net estate in excess of Five Hundred Thousand Dollars (\$500,000.00), and not in excess of One Million Dollars (\$1,000,000.00).~~

~~(i) Fifteen percent (15%) of the value of the net estate in excess of One Million Dollars (\$1,000,000.00).;~~

and renumber subsequent sections

AMENDMENT NO. 2. Page 2, lines 1 through 6, after the letter "A." on line 1 and before the second word "to" on line 6 strike all language and insert the language

"There shall be deducted from the net estate"

AMENDMENT NO. 3. Page 48, lines 3 and 4, after the numeral "803" on line 3 and before the numeral "805" on line 4 delete all language and insert the language

"as amended by Section 1 of this act"

AMENDMENT NO. 4. Page 48, line 6, change the language "Section 1" to read "Section 2"

AMENDMENT NO. 5. Page 48, lines 12 through 13, delete all of Section 6 and replace with the language

"SECTION 7. Sections 1 through 5 of this act shall become effective January 1, 2007."

AMENDMENT NO. 6. Page 48, line 14, change the language "Section 5" to read "Section 6"

and amend the title to conform

Passed the Senate the 23rd day of June, 2006.

Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____,
2006.

Presiding Officer of the House
of Representatives