

By: Shapleigh

S.B. No. 1605

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the use of federal estate tax provisions in determining
3 the application of the Texas estate tax to certain transfers of
4 property and to the allocation of Texas estate tax revenue.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 211.001(14), Tax Code, is amended to
7 read as follows:

8 (14) "Value" means value as finally determined and
9 used for purposes of computing the federal tax or the tax imposed by
10 this chapter.

11 SECTION 2. Section 211.003, Tax Code, is amended to read as
12 follows:

13 Sec. 211.003. REFERENCES TO INTERNAL REVENUE CODE. A
14 citation of or a reference to a subtitle, a chapter, or a section of
15 the Internal Revenue Code of 1954 is a citation of or reference to
16 [includes] that subtitle, chapter, or section as it existed
17 [exists] on December 31, 2000 [~~September 1, 1981, or as amended~~
18 ~~after that date and also includes any other provision of the~~
19 ~~Internal Revenue Code enacted after September 1, 1981, that is~~
20 ~~similar to or a replacement of the subtitle, chapter, or section~~
21 ~~cited or referred to~~].

22 SECTION 3. Section 211.056, Tax Code, is amended by
23 amending Subsection (a) and adding Subsection (a-1) to read as
24 follows:

1 (a) This section applies only to an estate that is subject
2 to both the federal tax and the tax imposed by this chapter.

3 (a-1) The comptroller shall confer with the Internal
4 Revenue Service of the United States to determine the value of a
5 decedent's estate that is located in this state and that is valued
6 by the United States for tax purposes.

7 SECTION 4. Subchapter B, Chapter 211, Tax Code, is amended
8 by adding Section 211.057 to read as follows:

9 Sec. 211.057. VALUE OF ESTATES NOT SUBJECT TO FEDERAL TAX.
10 The comptroller shall adopt rules for determining the value of a
11 decedent's estate that is located in this state and that is not
12 subject to the federal tax.

13 SECTION 5. Section 211.102, Tax Code, is amended to read as
14 follows:

15 Sec. 211.102. DAY ON WHICH PAYMENT IS DUE. Except as
16 provided by Sections 211.103 and 211.104 [~~211.104(b)~~], payment of a
17 tax imposed by Section 211.051, 211.052, or 211.053 [~~of this code~~]
18 on a decedent's estate is due nine months after the day of the
19 decedent's death.

20 SECTION 6. Section 211.103, Tax Code, is amended by adding
21 Subsection (a-1) to read as follows:

22 (a-1) The personal representative of an estate that is
23 subject to a tax imposed by this chapter but that is not subject to
24 the federal tax may request an extension of time under Section
25 111.057 for filing a report required by this chapter.

26 SECTION 7. Section 211.104, Tax Code, is amended by
27 amending Subsection (a) and adding Subsection (a-1) to read as

1 follows:

2 (a) This section applies only to an estate that is subject
3 to both the federal tax and the tax imposed by this chapter.

4 (a-1) Within 30 days after receiving notice or information
5 of the final assessment and determination of the value of the
6 taxable estate assessed and determined by the federal government
7 for the purpose of fixing federal estate taxes on that estate, the
8 personal representative shall make to the comptroller a report of
9 the value of the estate as so fixed and determined. The report
10 shall be made in a form and contain information as the comptroller
11 directs.

12 SECTION 8. Sections 211.105 and 211.106, Tax Code, are
13 amended to read as follows:

14 Sec. 211.105. DATE DUE OF TAXES ON GENERATION-SKIPPING
15 TRANSFERS. (a) The taxes imposed by this chapter on
16 generation-skipping transfers that are subject to the federal tax
17 are due and payable at the same time as the federal tax on
18 generation-skipping transfers.

19 (b) The comptroller shall adopt rules specifying a due date
20 for taxes imposed by this chapter on generation-skipping transfers
21 that are not subject to the federal tax.

22 Sec. 211.106. RETURNS. A payment relating to an estate that
23 is subject to the federal tax must ~~shall~~ be accompanied by a copy
24 of the federal estate or generation-skipping transfer tax return
25 filed with the Internal Revenue Service and the Texas tax return
26 containing any information the comptroller considers necessary for
27 the enforcement of this chapter. A payment relating to an estate

1 that is subject to the tax imposed by this chapter but is not
2 subject to the federal tax must be accompanied by the Texas tax
3 return [~~In the event no federal estate or generation-skipping~~
4 ~~transfer tax has been paid or is due and no federal estate or~~
5 ~~generation-skipping transfer tax return must be filed, the filing~~
6 ~~of a Texas tax return is not required by this chapter~~].

7 SECTION 9. Section 211.301, Tax Code, is amended to read as
8 follows:

9 Sec. 211.301. ALLOCATION OF REVENUE [~~GENERAL REVENUE FUND~~].
10 The revenue from a tax, interest, or penalty imposed by this chapter
11 shall be deposited in the state treasury to the credit of the TEXAS
12 grant program account established under Section 56.312, Education
13 Code [~~general revenue fund~~].

14 SECTION 10. Section 56.310(b), Education Code, is amended
15 to read as follows:

16 (b) The legislature may appropriate money, including money
17 deposited to the credit of the TEXAS grant program account, for the
18 purposes of this subchapter.

19 SECTION 11. Subchapter M, Chapter 56, Education Code, is
20 amended by adding Section 56.312 to read as follows:

21 Sec. 56.312. TEXAS GRANT PROGRAM ACCOUNT. The TEXAS grant
22 program account is an account in the general revenue fund that may
23 be appropriated only to the coordinating board for the purpose of
24 implementing the TEXAS grant program under this subchapter.

25 SECTION 12. The change in law made by this Act to Chapter
26 211, Tax Code, applies only to a transfer of property subject to
27 that chapter that occurs as a result of the death of a person who

1 dies on or after the effective date of this Act. A transfer of
2 property that occurs as a result of the death of a person who dies
3 before the effective date of this Act is governed by the law in
4 effect on the date of the person's death, and that law is continued
5 in effect for that purpose.

6 SECTION 13. This Act takes effect September 1, 2009.