

By: Talarico

H.B. No. 4453

A BILL TO BE ENTITLED

1 AN ACT

2 relating to imposing a state estate tax and using the revenue
3 generated by the tax to provide payments to parents.

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

5 SECTION 1. The heading to Subtitle J, Title 2, Tax Code, is
6 amended to read as follows:

7 SUBTITLE J. ESTATE [~~INHERITANCE~~] TAX

8 SECTION 2. Subtitle J, Title 2, Tax Code, is amended by
9 adding Chapter 212 to read as follows:

10 CHAPTER 212. ESTATE TAX

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 212.0001. DEFINITIONS. In this chapter:

13 (1) "Internal Revenue Code" means the Internal Revenue
14 Code of 1986 in effect on January 1, 2021, not including any changes
15 made by federal law after that date, but including any regulations
16 adopted under that code applicable to the tax year to which the
17 provisions of the code in effect on that date applied.

18 (2) "Taxable estate" has the meaning assigned by
19 Section 2051, Internal Revenue Code, except that no deduction from
20 the value of the gross estate is allowed for the amount of tax
21 imposed by this chapter.

22 SUBCHAPTER B. DETERMINATION OF TAX DUE

23 Sec. 212.0051. TAX ON DECEDENT'S ESTATE. (a) A tax is
24 imposed on the estate of each person who dies while a resident of

1 this state.

2 (b) The rate of the tax is five percent of the value of the
3 taxable estate.

4 SUBCHAPTER C. COLLECTION AND PAYMENT OF TAX; ENFORCEMENT

5 Sec. 212.0101. ADMINISTRATION. The comptroller shall adopt
6 rules to implement, administer, and enforce the tax under this
7 chapter.

8 Sec. 212.0102. PENALTIES. The comptroller may impose
9 penalties to enforce this chapter.

10 SUBCHAPTER C. DISPOSITION OF REVENUE

11 Sec. 212.0151. PAYMENTS TO PARENTS. (a) The amount of the
12 proceeds from the collection of the tax imposed by this chapter
13 shall be deposited to the credit of an account in the general
14 revenue fund administered by the comptroller. Money in the account
15 may be appropriated to the comptroller only for the purpose of
16 providing payments under this section.

17 (b) A person who gives birth to or adopts a child in this
18 state is entitled to a one-time payment in an amount set by the
19 comptroller if money is made available to the comptroller for that
20 purpose. The comptroller shall set the amount of the initial
21 payment authorized under this section in the amount of \$1,000.

22 (c) On January 1 of each year, the comptroller shall
23 increase the amount of the payment authorized under this section by
24 an amount equal to the amount of the payment authorized under this
25 section in the preceding year multiplied by the percentage
26 increase, if any, in the Consumer Price Index for Urban Wage Earners
27 and Clerical Workers (CPI-W) published by the United States Bureau

1 of Labor Statistics or its successor in function during the
2 preceding calendar year.

3 (d) The comptroller shall adopt rules for distributing the
4 payments described by this section.

5 SECTION 3. Chapter 212, Tax Code, as added by this Act,
6 applies only to the estate of a person who dies while a resident of
7 this state on or after the effective date of this Act.

8 SECTION 4. This Act takes effect January 1, 2022.