

# SENATE BILL REPORT

## HB 1159

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As of March 26, 1999

**Title:** An act relating to updating the probate and trust law to comport with Internal Revenue Code language.

**Brief Description:** Comporting with Internal Revenue Code language.

**Sponsors:** Representatives Hurst, Sheahan, Constantine and Kenney.

**Brief History:**

**Committee Activity:** Judiciary: 4/2/99.

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### SENATE COMMITTEE ON JUDICIARY

**Staff:** Penny Nerup (786-7484)

**Background:** Under the Internal Revenue Code (IRC), every person is given a tax credit that can be used against federal estate taxes. Because the credit is calculated as a credit against the total tax due for gifts made during the person's life, and gifts made at the person's death, combined, it is sometimes referred to as the "unified credit."

Washington's statute governing marital deduction gifts in trusts and estate law refers to this IRC credit as the "unified credit." However, the IRC does not use or define the term "unified credit" but simply refers to it as the "credit."

The Estate and Gift Tax Section of the Washington State Bar suggests that the word "unified" be deleted from the statute to harmonize state law with the IRC and to avoid possible confusion should litigation arise under this section.

**Summary of Bill:** A technical change is made that deletes the word "unified" from the term "unified credit" in the statute governing marital deduction gifts in trust and estate law.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.