

FINAL BILL REPORT

SB 6140

C 130 L 00
Synopsis as Enacted

Brief Description: Updating probate and trust laws.

Sponsors: Senators Johnson, Heavey and Gardner.

Senate Committee on Judiciary

House Committee on Judiciary

Background: In 1998 Congress restructured the Internal Revenue Code and relocated some sections of the code, including an exclusion of up to \$675,000 of the value of a qualified family-owned business from the value of an estate for purposes of federal estate tax. The Washington probate code contains several references to this section of the Internal Revenue Code, as do many existing wills, trusts and other documents subject to the probate code. The Washington State Bar Association recommends a minor revision of the probate code to remove confusion.

Summary: Any references in wills, trusts or other documents governed by the probate code to a prior section of the Internal Revenue Code providing an exclusion of the value of a family-owned business from the value of an estate subject to estate tax are deemed to refer to the comparable provision of the restructured Internal Revenue Code. This applies retroactively to anyone dying after December 31, 1997.

Votes on Final Passage:

Senate	46 0
House	97 0

Effective: June 8, 2000