

# SENATE BILL REPORT

## SJM 8038

---

---

As Reported By Senate Committee On:  
Ways & Means, February 9, 2004

**Brief Description:** Requesting the congressional delegation of the state of Washington to work to abolish the death tax permanently.

**Sponsors:** Senators Benton, Pflug, Swecker, Oke, Roach, Hale, Deccio, Parlette, T. Sheldon, Esser, Rasmussen and Stevens.

**Brief History:**

**Committee Activity:** Ways & Means: 2/5/04, 2/9/04 [DP, DNP].

---

### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass.

Signed by Senators Zarelli, Chair; Hewitt, Vice Chair; Parlette, Vice Chair; Carlson, Hale, Honeyford, Johnson, Pflug, Roach, Sheahan and Winsley.

**Minority Report:** Do not pass.

Signed by Senators Doumit, Fairley, Fraser, Prentice, Rasmussen, Regala and B. Sheldon.

**Staff:** Terry Wilson (786-7433)

**Background:** The federal government imposes a tax on the transfer of property at death. This tax is known as the federal estate tax.

The federal estate tax was changed substantially by the Economic Growth and Tax Relief Reconciliation Act of 2001. The federal act reduces the federal estate tax gradually until the tax is eliminated for persons dying in 2010.

All of the provisions of the federal act are effective only through calendar year 2010. In 2011, the federal estate tax reverts to the tax imposed before the act. Therefore, to continue the reductions in the federal estate tax after that date, Congress must re-enact all or part of the act at some future date.

In the 108th Congress, numerous bills have been introduced to make the repeal of the estate tax permanent.

**Summary of Bill:** Washington's elected Representatives and Senators in the United States Congress are requested to support, work to pass, and vote for the immediate and permanent repeal of the death tax.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Testimony For:** None.

**Testimony Against:** The estate tax is a fair tax which the country needs. Only 1.5 percent ever pay it. Very few of these are small businesses or family farms. They have preferential valuation, deductions, and payment options. Repeal will have a negative effect on charitable contributions. Repeal will cost over \$1.0 trillion over the next 20 years. This is fiscally irresponsible in light of current deficits. If you want to protect small businesses or family farms, raise the threshold now.

**Testified:** CON: Lois Canright, Responsible Wealth.