

HOUSE BILL 3184

State of Washington                      61st Legislature                      2010 Regular Session

By Representatives Chase, Williams, Hunt, Dickerson, Flannigan, and Moeller

1            AN ACT Relating to increasing estate taxes; amending RCW 83.100.040  
2 and 83.100.230; creating a new section; providing an effective date;  
3 and declaring an emergency.

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

5            **Sec. 1.** RCW 83.100.040 and 2005 c 516 s 3 are each amended to read  
6 as follows:

7            (1) A tax in an amount computed as provided in this section is  
8 imposed on every transfer of property located in Washington. For the  
9 purposes of this section, any intangible property owned by a resident  
10 is located in Washington.

11            (2)(a) Except as provided in (b) of this subsection, the amount of  
12 tax is the amount provided in the following table:

|    |                       |               |                          |                 |                      |
|----|-----------------------|---------------|--------------------------|-----------------|----------------------|
| 13 |                       |               |                          |                 |                      |
| 14 |                       |               |                          |                 | Of Washington        |
| 15 | If Washington Taxable |               | The amount of Tax Equals |                 | Taxable Estate Value |
| 16 | Estate is at least    | But Less Than | Initial Tax Amount       | Plus Tax Rate % | Greater than         |

|    |                   |             |                          |                                    |                   |
|----|-------------------|-------------|--------------------------|------------------------------------|-------------------|
| 1  | \$0               | \$1,000,000 | \$0                      | <del>((10.00))</del> <u>20.00%</u> | \$0               |
| 2  | \$1,000,000       | \$2,000,000 | <del>((100,000))</del>   | <del>((14.00))</del> <u>28.00%</u> | \$1,000,000       |
| 3  |                   |             | <u>\$200,000</u>         |                                    |                   |
| 4  | \$2,000,000       | \$3,000,000 | <del>((240,000))</del>   | <del>((15.00))</del> <u>30.00%</u> | \$2,000,000       |
| 5  |                   |             | <u>\$480,000</u>         |                                    |                   |
| 6  | \$3,000,000       | \$4,000,000 | <del>((390,000))</del>   | <del>((16.00))</del> <u>32.00%</u> | \$3,000,000       |
| 7  |                   |             | <u>\$780,000</u>         |                                    |                   |
| 8  | \$4,000,000       | \$6,000,000 | <del>((550,000))</del>   | <del>((17.00))</del> <u>34.00%</u> | \$4,000,000       |
| 9  |                   |             | <u>\$1,100,000</u>       |                                    |                   |
| 10 | \$6,000,000       | \$7,000,000 | <del>((890,000))</del>   | <del>((18.00))</del> <u>36.00%</u> | \$6,000,000       |
| 11 |                   |             | <u>\$1,780,000</u>       |                                    |                   |
| 12 | \$7,000,000       | \$9,000,000 | <del>((1,070,000))</del> | <del>((18.50))</del> <u>37.00%</u> | \$7,000,000       |
| 13 |                   |             | <u>\$2,140,000</u>       |                                    |                   |
| 14 | Above \$9,000,000 |             | <del>((1,440,000))</del> | <del>((19.00))</del> <u>38.00%</u> | Above \$9,000,000 |
| 15 |                   |             | <u>\$2,880,000</u>       |                                    |                   |

16 (b) If any property in the decedent's estate is located outside of  
17 Washington, the amount of tax is the amount determined in (a) of this  
18 subsection multiplied by a fraction. The numerator of the fraction is  
19 the value of the property located in Washington. The denominator of  
20 the fraction is the value of the decedent's gross estate. Property  
21 qualifying for a deduction under RCW 83.100.046 (~~shall be~~) is  
22 excluded from the numerator and denominator of the fraction.

23 (3) The tax imposed under this section is a stand-alone estate tax  
24 that incorporates only those provisions of the internal revenue code as  
25 amended or renumbered as of January 1, 2005, that do not conflict with  
26 the provisions of this chapter. The tax imposed under this chapter is  
27 independent of any federal estate tax obligation and is not affected by  
28 termination of the federal estate tax.

29 **Sec. 2.** RCW 83.100.230 and 2008 c 329 s 924 are each amended to  
30 read as follows:

31 (1) The education legacy trust account is created in the state  
32 treasury. Money in the account may be spent only after appropriation.

33 (2) Expenditures from the account (~~may~~) must be used only (~~for~~  
34 ~~deposit into the student achievement fund and for~~) as follows:

35 (a) Fifty percent of the money deposited must be used for expanding

1 access to higher education through funding for new enrollments and  
2 financial aid, and other educational improvement efforts; and

3 (b) Fifty percent of the money deposited must be used for grants to  
4 Washington high school graduates for either the graduate's:

5 (i) First year of tuition at a Washington community college; or

6 (ii) First term of tuition at Eastern Washington University,  
7 Central Washington University, Western Washington University, The  
8 Evergreen State College, University of Washington, or Washington State  
9 University.

10 (c) During the 2007-2009 fiscal biennium, moneys in the account may  
11 also be transferred into the state general fund.

12 NEW SECTION. Sec. 3. This act applies prospectively only and only  
13 applies to estates of decedents dying on or after April 1, 2010.

14 NEW SECTION. Sec. 4. This act is necessary for the immediate  
15 preservation of the public peace, health, or safety, or support of the  
16 state government and its existing public institutions, and takes effect  
17 April 1, 2010.

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