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HOUSE BILL 1795

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State of Washington

68th Legislature

2023 Regular Session

By Representatives Street, Ramel, Reed, Ryu, Senn, Lekanoff, Fitzgibbon, Bateman, Ormsby, Pollet, Walen, Gregerson, and Simmons

Read first time 02/08/23. Referred to Committee on Finance.

1 AN ACT Relating to making the estate tax more progressive;  
2 amending RCW 83.100.040, 83.100.047, 83.100.048, 83.100.050, and  
3 83.100.220; reenacting and amending RCW 83.100.020; adding a new  
4 section to chapter 83.100 RCW; creating new sections; and providing  
5 an effective date.

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

7 **Sec. 1.** RCW 83.100.020 and 2013 2nd sp.s. c 2 s 2 are each  
8 reenacted and amended to read as follows:

9 The definitions in this section apply throughout this chapter  
10 unless the context clearly requires otherwise.

11 (1)(a) The "applicable exclusion amount" for the decedent's  
12 estate is the applicable exclusion amount in effect as of the date of  
13 the decedent's death. "Applicable exclusion amount" means:

14 (i) (~~One million five hundred thousand dollars~~) \$1,500,000 for  
15 decedents dying before January 1, 2006;

16 (ii) (~~Two million dollars~~) \$2,000,000 for estates of decedents  
17 dying on or after January 1, 2006, and before January 1, 2014;  
18 ((and))

19 (iii) \$2,012,000 for estates of decedents dying on or after  
20 January 1, 2014, and before January 1, 2015;

1 (iv) \$2,054,000 for estates of decedents dying on or after  
2 January 1, 2015, and before January 1, 2016;

3 (v) \$2,079,000 for estates of decedents dying on or after January  
4 1, 2016, but before January 1, 2017;

5 (vi) \$2,129,000 for estates of decedents dying on or after  
6 January 1, 2017, but before January 1, 2018;

7 (vii) \$2,193,000 for estates of decedents dying on or after  
8 January 1, 2018, but before August 1, 2023;

9 (viii) \$2,659,000 for estates of decedents dying on or after  
10 August 1, 2023; and

11 (ix) For estates of decedents dying in calendar year ((2014))  
12 2025 and each calendar year thereafter, the amount in (a)((-ii-))  
13 (viii) of this subsection (1) must be adjusted annually, except as  
14 otherwise provided in this subsection (1)(a)((-iii-)) (ix). The  
15 annual adjustment is determined by multiplying ((two—million  
16 dollars)) \$2,659,000 by the sum of one plus the percentage by which  
17 the most recent October consumer price index exceeds the consumer  
18 price index for October ((2012)) 2023, and rounding the result to the  
19 nearest ((one thousand dollars)) \$1,000. No adjustment is made for a  
20 calendar year if the adjustment would result in the same or a lesser  
21 applicable exclusion amount than the applicable exclusion amount for  
22 the immediately preceding calendar year. ((The applicable exclusion  
23 amount under this subsection (1)(a)(iii) for the decedent's estate is  
24 the applicable exclusion amount in effect as of the date of the  
25 decedent's death.))

26 (b) For purposes of this subsection (1), "consumer price index"  
27 means the consumer price index for all urban consumers, all items,  
28 for the Seattle((-Tacoma-Bremerton)) metropolitan area as calculated  
29 by the United States bureau of labor statistics. For purposes of this  
30 subsection (1)(b), "Seattle metropolitan area" means the geographic  
31 area sample that includes Seattle and surrounding areas.

32 (2) "Decedent" means a deceased individual.

33 (3) "Department" means the department of revenue, the director of  
34 that department, or any employee of the department exercising  
35 authority lawfully delegated to him or her by the director.

36 (4) "Federal return" means any tax return required by chapter 11  
37 of the internal revenue code.

38 (5) "Federal tax" means a tax under chapter 11 of the internal  
39 revenue code.

1 (6) "Federal taxable estate" means the taxable estate as  
2 determined under chapter 11 of the internal revenue code without  
3 regard to: (a) The termination of the federal estate tax under  
4 section 2210 of the internal revenue code or any other provision of  
5 law, and (b) the deduction for state estate, inheritance, legacy, or  
6 succession taxes allowable under section 2058 of the internal revenue  
7 code.

8 (7) "Gross estate" means "gross estate" as defined and used in  
9 section 2031 of the internal revenue code.

10 (8) "Internal revenue code" means the United States internal  
11 revenue code of 1986, as amended or renumbered as of January 1, 2005.

12 (9) "Person" means any individual, estate, trust, receiver,  
13 cooperative association, club, corporation, company, firm,  
14 partnership, joint venture, syndicate, or other entity and, to the  
15 extent permitted by law, any federal, state, or other governmental  
16 unit or subdivision or agency, department, or instrumentality  
17 thereof.

18 (10) "Person required to file the federal return" means any  
19 person required to file a return required by chapter 11 of the  
20 internal revenue code, such as the personal representative of an  
21 estate.

22 (11) "Property" means property included in the gross estate.

23 (12) "Resident" means a decedent who was domiciled in Washington  
24 at time of death.

25 (13) "Taxpayer" means a person upon whom tax is imposed under  
26 this chapter, including an estate or a person liable for tax under  
27 RCW 83.100.120.

28 (14) "Transfer" means "transfer" as used in section 2001 of the  
29 internal revenue code and includes any shifting upon death of the  
30 economic benefit in property or any power or legal privilege  
31 incidental to the ownership or enjoyment of property. However,  
32 "transfer" does not include a qualified heir disposing of an interest  
33 in property qualifying for a deduction under RCW 83.100.046 or  
34 ceasing to use the property for farming purposes.

35 (15) "Washington taxable estate" means the federal taxable estate  
36 and includes, but is not limited to, the value of any property  
37 included in the gross estate under section 2044 of the internal  
38 revenue code, regardless of whether the decedent's interest in such  
39 property was acquired before May 17, 2005, (a) plus amounts required  
40 to be added to the Washington taxable estate under RCW 83.100.047,

1 (b) less: (i) The applicable exclusion amount; (ii) the amount of any  
 2 deduction allowed under RCW 83.100.046; (iii) amounts allowed to be  
 3 deducted from the Washington taxable estate under RCW 83.100.047; and  
 4 (iv) the amount of any deduction allowed under RCW 83.100.048.

5 **Sec. 2.** RCW 83.100.040 and 2013 2nd sp.s. c 2 s 4 are each  
 6 amended to read 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  
 12 of tax is the amount provided in the following table:

If Washington Taxable		The amount of Tax Equals		Of Washington Taxable Estate Value Greater than
Estate is at least	But Less Than	Initial Tax Amount	Plus Tax Rate %	
\$0	\$1,000,000	\$0	10.00%	\$0
\$1,000,000	\$2,000,000	\$100,000	14.00%	\$1,000,000
\$2,000,000	\$3,000,000	\$240,000	15.00%	\$2,000,000
\$3,000,000	\$4,000,000	\$390,000	<del>((16.00%))</del> <u>18.00%</u>	\$3,000,000
\$4,000,000	\$6,000,000	<del>(((\$550,000))</del> <u>\$580,000</u>	<del>((18.00%))</del> <u>22.00%</u>	\$4,000,000
\$6,000,000	\$7,000,000	<del>(((\$910,000))</del> <u>\$1,020,000</u>	<del>((19.00%))</del> <u>24.00%</u>	\$6,000,000
\$7,000,000	\$9,000,000	<del>(((\$1,100,000))</del> <u>\$1,260,000</u>	<del>((19.50%))</del> <u>26.00%</u>	\$7,000,000
\$9,000,000	<u>\$12,500,000</u>	<del>(((\$1,490,000))</del> <u>\$1,780,000</u>	<del>((20.00%))</del> <u>28.00%</u>	\$9,000,000
<u>\$12,500,000</u>	<u>\$22,500,000</u>	<u>\$2,760,000</u>	<u>29.00%</u>	<u>\$12,500,000</u>
<u>\$22,500,000</u>	<u>\$100,000,000</u>	<u>\$5,660,000</u>	<u>30.00%</u>	<u>\$22,500,000</u>
<u>\$100,000,000</u>	<u>\$1,000,000,000</u>	<u>\$28,910,000</u>	<u>35.00%</u>	<u>\$100,000,000</u>
<u>\$1,000,000,000</u>		<u>\$343,910,000</u>	<u>40.00%</u>	<u>\$1,000,000,000</u>

1 (b) If any property in the decedent's estate is located outside  
2 of Washington, the amount of tax is the amount determined in (a) of  
3 this subsection multiplied by a fraction. The numerator of the  
4 fraction is the value of the property located in Washington. The  
5 denominator of the fraction is the value of the decedent's gross  
6 estate. Property qualifying for a deduction under RCW 83.100.046 must  
7 be excluded from the numerator and denominator of the fraction.

8 (3) The tax imposed under this section is a stand-alone estate  
9 tax that incorporates only those provisions of the internal revenue  
10 code as amended or renumbered as of January 1, 2005, that do not  
11 conflict with the provisions of this chapter. The tax imposed under  
12 this chapter is independent of any federal estate tax obligation and  
13 is not affected by termination of the federal estate tax.

14 **Sec. 3.** RCW 83.100.047 and 2013 2nd sp.s. c 2 s 6 are each  
15 amended to read as follows:

16 (1)(a) If the federal taxable estate on the federal return is  
17 determined by making an election under section 2056 or 2056A of the  
18 internal revenue code, or if no federal return is required to be  
19 filed, the department may provide by rule for a separate election on  
20 the Washington return, consistent with section 2056 or 2056A of the  
21 internal revenue code and (b) of this subsection, for the purpose of  
22 determining the amount of tax due under this chapter. The election is  
23 binding on the estate and the beneficiaries, consistent with the  
24 internal revenue code and (b) of this subsection. All other elections  
25 or valuations on the Washington return must be made in a manner  
26 consistent with the federal return, if a federal return is required,  
27 and such rules as the department may provide.

28 (b) The department must provide by rule that a state registered  
29 domestic partner is deemed to be a surviving spouse and entitled to a  
30 deduction from the Washington taxable estate for any interest passing  
31 from the decedent to his or her domestic partner, consistent with  
32 section 2056 or 2056A of the internal revenue code but regardless of  
33 whether such interest would be deductible from the federal gross  
34 estate under section 2056 or 2056A of the internal revenue code.

35 (2)(a) Amounts deducted for federal income tax purposes under  
36 section 642(g) of the internal revenue code of 1986 are not allowed  
37 as deductions in computing the amount of tax due under this chapter.

1 (b) The following amounts deducted under section 2055 of the  
2 internal revenue code for bequests, legacies, devises, or other  
3 transfers to family foundations are disallowed as a deduction in  
4 computing the amount of tax under this chapter:

5 (i) 25 percent of the first \$100,000,000 deducted under section  
6 2055 of the internal revenue code; and

7 (ii) 75 percent of any amount in excess of \$100,000,000 deducted  
8 under section 2055 of the internal revenue code.

9 (3) Notwithstanding any department rule, if a taxpayer makes an  
10 election consistent with section 2056 of the internal revenue code as  
11 permitted under this section, the taxpayer's Washington taxable  
12 estate, and the surviving spouse's Washington taxable estate, must be  
13 adjusted as follows:

14 (a) For the taxpayer that made the election, any amount deducted  
15 by reason of section 2056(b)(7) of the internal revenue code is added  
16 to, and the value of property for which a Washington election under  
17 this section was made is deducted from, the Washington taxable  
18 estate.

19 (b) For the estate of the surviving spouse, the amount included  
20 in the estate's gross estate pursuant to section 2044 (a) and  
21 (b)(1)(A) of the internal revenue code is deducted from, and the  
22 value of any property for which an election under this section was  
23 previously made is added to, the Washington taxable estate.

24 (4) For the purposes of this section, "family foundation" means a  
25 foundation or charity that:

26 (a) Is defined as a private foundation under section 509 of the  
27 internal revenue code or a public charity excluded under section  
28 509(a)(1), (2), (3), or (4) of the internal revenue code;

29 (b) The decedent, while alive, transferred money or assets to it;

30 (c) The decedent, or a family member, has served on the governing  
31 board of it in the past; and

32 (d) A family member or employee currently serves on the governing  
33 board.

34 **Sec. 4.** RCW 83.100.048 and 2013 2nd sp.s. c 2 s 3 are each  
35 amended to read as follows:

36 (1) For the purposes of determining the tax due under this  
37 chapter, a deduction is allowed for the value of the decedent's  
38 qualified family-owned business interests (~~(, not to)~~). With the  
39 exception of qualified family-owned business interests in a newspaper

1 business, the deduction under this section may not exceed ((two  
2 million five hundred thousand dollars, if)) \$2,500,000. A deduction  
3 not to exceed \$5,000,000 is allowed for the value of the decedent's  
4 qualified family-owned business interest in a newspaper business. No  
5 deduction is allowed under this section unless:

6 (a) The value of the decedent's qualified family-owned business  
7 interests exceed ((fifty)) 50 percent of the decedent's Washington  
8 taxable estate determined without regard to the deduction for the  
9 applicable exclusion amount. This subsection (1)(a) does not apply to  
10 qualified family-owned business interest in a newspaper business;

11 (b) During the eight-year period ending on the date of the  
12 decedent's death, there have been periods aggregating five years or  
13 more during which:

14 (i) Such interests were owned by the decedent or a member of the  
15 decedent's family;

16 (ii) There was material participation, within the meaning of  
17 section 2032A(e)(6) of the internal revenue code, by the decedent or  
18 a member of the decedent's family in the operation of the trade or  
19 business to which such interests relate;

20 (c) The qualified family-owned business interests are acquired by  
21 any qualified heir from, or passed to any qualified heir from, the  
22 decedent, within the meaning of RCW 83.100.046(2), and the decedent  
23 was at the time of his or her death a citizen or resident of the  
24 United States; and

25 (d) The value of the decedent's qualified family-owned business  
26 interests is not more than ((six million dollars)) \$6,000,000. This  
27 subsection (1)(d) does not apply to qualified family-owned business  
28 interest in a newspaper business.

29 (2)(a) Only amounts included in the decedent's federal taxable  
30 estate may be deducted under this subsection.

31 (b) Amounts deductible under RCW 83.100.046 may not be deducted  
32 under this section.

33 (3)(a) There is imposed an additional estate tax on a qualified  
34 heir if, within three years of the decedent's death and before the  
35 date of the qualified heir's death:

36 (i) The material participation requirements described in section  
37 2032A(c)(6)(b)(ii) of the internal revenue code are not met with  
38 respect to the qualified family-owned business interest which was  
39 acquired or passed from the decedent;

1 (ii) The qualified heir disposes of any portion of a qualified  
2 family-owned business interest, other than by a disposition to a  
3 member of the qualified heir's family or a person with an ownership  
4 interest in the qualified family-owned business or through a  
5 qualified conservation contribution under section 170(h) of the  
6 internal revenue code;

7 (iii) The qualified heir loses United States citizenship within  
8 the meaning of section 877 of the internal revenue code or with  
9 respect to whom section 877(e)(1) applies, and such heir does not  
10 comply with the requirements of section 877(g) of the internal  
11 revenue code; or

12 (iv) The principal place of business of a trade or business of  
13 the qualified family-owned business interest ceases to be located in  
14 the United States.

15 (b) The amount of the additional estate tax imposed under this  
16 subsection is equal to the amount of tax savings under this section  
17 with respect to the qualified family-owned business interest acquired  
18 or passed from the decedent.

19 (c) Interest applies to the tax due under this subsection for the  
20 period beginning on the date that the estate tax liability was due  
21 under this chapter and ending on the date the additional estate tax  
22 due under this subsection is paid. Interest under this subsection  
23 must be computed as provided in RCW 83.100.070(2).

24 (d) The tax imposed by this subsection is due the day that is six  
25 months after any taxable event described in (a) of this subsection  
26 occurred and must be reported on a return as provided by the  
27 department.

28 (e) The qualified heir is personally liable for the additional  
29 tax imposed by this subsection unless he or she has furnished a bond  
30 in favor of the department for such amount and for such time as the  
31 department determines necessary to secure the payment of amounts due  
32 under this subsection. The qualified heir, on furnishing a bond  
33 satisfactory to the department, is discharged from personal liability  
34 for any additional tax and interest under this subsection and is  
35 entitled to a receipt or writing showing such discharge.

36 (f) Amounts due under this subsection attributable to any  
37 qualified family-owned business interest are secured by a lien in  
38 favor of the state on the property in respect to which such interest  
39 relates. The lien under this subsection (3)(f) arises at the time the  
40 Washington return is filed on which a deduction under this section is



1 taken and continues in effect until: (i) The tax liability under this  
2 subsection has been satisfied or has become unenforceable by reason  
3 of lapse of time; or (ii) the department is satisfied that no further  
4 tax liability will arise under this subsection.

5 (g) Security acceptable to the department may be substituted for  
6 the lien imposed by (f) of this subsection.

7 (h) For purposes of the assessment or correction of an assessment  
8 for additional taxes and interest imposed under this subsection, the  
9 limitations period in RCW 83.100.095 begins to run on the due date of  
10 the return required under (d) of this subsection.

11 (i) For purposes of this subsection, a qualified heir may not be  
12 treated as disposing of an interest described in section  
13 2057(e)(1)(A) of the internal revenue code by reason of ceasing to be  
14 engaged in a trade or business so long as the property to which such  
15 interest relates is used in a trade or business by any member of the  
16 qualified heir's family.

17 (4)(a) The department may require a taxpayer claiming a deduction  
18 under this section to provide the department with the names and  
19 contact information of all qualified heirs.

20 (b) The department may also require any qualified heir to submit  
21 to the department on an ongoing basis such information as the  
22 department determines necessary or useful in determining whether the  
23 qualified heir is subject to the additional tax imposed in subsection  
24 (3) of this section. The department may not require such information  
25 more frequently than twice per year. The department may impose a  
26 penalty on a qualified heir who fails to provide the information  
27 requested within thirty days of the date the department's written  
28 request for the information was sent to the qualified heir. The  
29 amount of the penalty under this subsection is (~~five hundred~~  
30 ~~dollars~~) \$500 and may be collected in the same manner as the tax  
31 imposed under subsection (3) of this section.

32 (5) For purposes of this section, references to section 2057 of  
33 the internal revenue code refer to section 2057 of the internal  
34 revenue code, as existing on December 31, 2003.

35 (6) For purposes of this section, the following definitions  
36 apply:

37 (a) "Member of the decedent's family" and "member of the  
38 qualified heir's family" have the same meaning as "member of the  
39 family" in RCW 83.100.046(10).

1       (b) "Newspaper business" means a business, or that portion of a  
2 business consisting of a newspaper as defined in RCW 82.04.214, that  
3 is distributed primarily to paying customers, including subscribers  
4 and persons reselling the newspaper.

5       (c) "Qualified family-owned business interest" has the same  
6 meaning as provided in section 2057(e) of the internal revenue code  
7 of 1986.

8       ~~((e))~~ (d) "Qualified heir" has the same meaning as provided in  
9 section 2057(i) of the internal revenue code of 1986.

10       (7) This section applies to the estates of decedents dying on or  
11 after January 1, 2014. However, section 4, chapter . . ., Laws of  
12 2023 (section 4 of this act) does not apply retrospectively and only  
13 applies to the estates of decedents dying on the effective date of  
14 this section.

15       **Sec. 5.** RCW 83.100.050 and 2017 c 323 s 601 are each amended to  
16 read as follows:

17       (1) ~~((A))~~ Except as provided in subsection (7) of this section, a  
18 Washington return must be filed if the gross estate equals or exceeds  
19 the applicable exclusion amount.

20       (2) If a Washington return is required as provided in subsection  
21 (1) of this section:

22       (a) A person required to file a federal return must file with the  
23 department on or before the date the federal return is required to be  
24 filed, including any extension of time for filing under subsection  
25 (4) or (6) of this section, a Washington return for the tax due under  
26 this chapter.

27       (b) If no federal return is required to be filed, a taxpayer  
28 shall file with the department on or before the date a federal return  
29 would have been required to be filed, including any extension of time  
30 for filing under subsection (5) or (6) of this section, a Washington  
31 return for the tax due under this chapter.

32       (3) A Washington return delivered to the department by United  
33 States mail is considered to have been received by the department on  
34 the date of the United States postmark stamped on the cover in which  
35 the return is mailed, if the postmark date is within the time allowed  
36 for filing the Washington return, including extensions.

37       (4) In addition to the Washington return required to be filed in  
38 subsection (2) of this section, a person must file with the  
39 department on or before the date the federal return is or would have

1 been required to be filed all supporting documentation for completed  
2 Washington return schedules, and, if a federal return has been filed,  
3 a copy of the federal return. If the person required to file the  
4 federal return has obtained an extension of time for filing the  
5 federal return, the person must file the Washington return within the  
6 same time period and in the same manner as provided for the federal  
7 return. A copy of the federal extension must be filed with the  
8 department on or before the date the Washington return is due, not  
9 including any extension of time for filing, or within thirty days of  
10 issuance, whichever is later.

11 (5) A person may obtain an extension of time for filing the  
12 Washington return as provided by rule of the department, if the  
13 person is required to file a Washington return under subsection (2)  
14 of this section, but is not required to file a federal return.

15 (6) During a state of emergency declared under RCW 43.06.010(12),  
16 the department, on its own motion or at the request of any taxpayer  
17 affected by the emergency, may extend the time for filing a  
18 Washington return under this section as the department deems proper.

19 (7)(a) A Washington return is not required to be filed for a  
20 decedent's estate if:

21 (i) The estate is not subject to tax under this chapter; and  
22 (ii) The value of the decedent's gross estate less the value of  
23 the decedent's interest in a qualifying family residence that is  
24 included in the value of the decedent's gross estate is less than the  
25 applicable exclusion amount.

26 (b) The following definitions apply to this subsection:

27 (i) "Principal place of residence" means a residence that, except  
28 as otherwise provided in this subsection (7)(b)(i), has been occupied  
29 by both the decedent and the decedent's spouse or domestic partner  
30 for more than six months of the 12 months immediately preceding the  
31 decedent's date of death. "Principal place of residence" also means a  
32 residence of the decedent and the decedent's spouse or domestic  
33 partner when, during the six-month period immediately preceding the  
34 decedent's date of death, the decedent, the decedent's spouse or  
35 domestic partner, or both the decedent and decedent's spouse or  
36 domestic partner, were confined to a hospital, nursing home, assisted  
37 living facility, adult family home, or home of a relative of the  
38 decedent or decedent's spouse or domestic partner for purposes of  
39 long-term care if the decedent and the decedent's spouse or domestic  
40 partner did not occupy any other residence for more than six months

1 of the 12 months immediately preceding the decedent's date of death,  
2 and during the six-month period immediately preceding the decedent's  
3 date of death:

4 (A) The residence was temporarily unoccupied;

5 (B) The residence was occupied by either or both (I) the  
6 decedent's spouse or domestic partner, or (II) a person financially  
7 dependent on the decedent or the decedent's spouse or domestic  
8 partner for support; or

9 (C) The residence or portion of the residence was rented for the  
10 purposes of paying costs related to the care of the decedent or the  
11 decedent's spouse or domestic partner in a nursing home, hospital,  
12 assisted living facility, or adult family home.

13 (ii) "Qualifying family residence" means the principal place of  
14 residence of the marital community or domestic partnership at the  
15 decedent's date of death.

16 (iii) "Relative" has the same meaning as "member of the family"  
17 in RCW 83.100.046.

18 (iv) "Residence" means a single-family dwelling unit, whether  
19 such unit is separate or part of a multiunit dwelling, including the  
20 land on which such dwelling stands, regardless of whether ownership  
21 of the single-family dwelling unit and land on which the dwelling  
22 unit stands is vested in the same person. "Residence" includes:

23 (A) A single-family dwelling unit in a cooperative housing  
24 association, corporation, or partnership, when the decedent has an  
25 ownership share in such entity;

26 (B) A single-family dwelling unit situated upon lands the fee of  
27 which is vested in or held in trust by the United States or any of  
28 its instrumentalities, a federally recognized Indian tribe, a state  
29 of the United States or any of its political subdivisions, or a  
30 municipal corporation;

31 (C) A single-family dwelling unit consisting of a manufactured/  
32 mobile home or park model that has substantially lost its identity as  
33 a mobile unit by virtue of it being fixed in location and placed on a  
34 foundation with fixed pipe connections with sewer, water, or other  
35 utilities; and

36 (D) A single-family dwelling unit consisting of a floating home  
37 as defined in RCW 82.45.032.

38 **Sec. 6.** RCW 83.100.220 and 2005 c 516 s 16 are each amended to  
39 read as follows:

1       ~~((All))~~ (1) Except as otherwise provided in subsection (2) of  
2 this section, all receipts from taxes, penalties, interest, and fees  
3 collected under this chapter must be deposited into the education  
4 legacy trust account.

5       (2) (a) By November 1st and by May 1st of each year, the  
6 department must calculate the increased state estate tax collections  
7 due to the changes in rates and deductions made in this act as  
8 compared with the estate tax collections amount that would have been  
9 collected had this act not been enacted.

10       (b) The department must notify the state treasurer of the  
11 incremental amount by December 1st and by June 1st each year. The  
12 treasurer must deposit the incremental amount into the progressive  
13 policy account created in section 7 of this act.

14       NEW SECTION. Sec. 7. A new section is added to chapter 83.100  
15 RCW to read as follows:

16       The progressive policy account is created in the state treasury.  
17 All receipts from RCW 83.100.220(2) must be deposited into the  
18 account. Moneys in the account may be spent only after appropriation.  
19 Expenditures from the account may only be used to address  
20 intergenerational poverty. It is the intent of the legislature that  
21 moneys from this account in the 2023-2025 and 2025-2027 biennia be  
22 used to implement recommendations from the legislative-executive  
23 WorkFirst poverty reduction oversight task force created in RCW  
24 74.085A.505 and the homeownership disparities work group created in  
25 section 128(100), chapter 297, Laws of 2022.

26       NEW SECTION. Sec. 8. This act applies to decedents dying on or  
27 after August 1, 2023.

28       NEW SECTION. Sec. 9. RCW 82.32.805 and 82.32.808 do not apply  
29 to this act.

30       NEW SECTION. Sec. 10. This act takes effect August 1, 2023.

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