

105TH CONGRESS  
2D SESSION

# H. R. 3945

To amend the Internal Revenue Code of 1986 to provide an inflation adjustment of the unified credit against the estate and gift taxes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 22, 1998

Mr. HERGER (for himself, Mr. McCRERY, Ms. DUNN, Mr. CHRISTENSEN, Mr. SAM JOHNSON of Texas, Mr. HULSHOF, Mrs. MYRICK, Mr. BARTLETT of Maryland, Mr. LEWIS of Kentucky, Mr. WHITFIELD, Mr. BARR of Georgia, Mr. DICKEY, Mr. McINTOSH, Mr. DOOLITTLE, Mr. HOSTETTLER, Mr. JONES, Mr. WELDON of Florida, Mr. PITTS, Mr. SUNUNU, Mr. CAMPBELL, Mrs. ROUKEMA, Mr. GIBBONS, Mr. HANSEN, Mr. LARGENT, and Mr. SALMON) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to provide an inflation adjustment of the unified credit against the estate and gift taxes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Death Tax Inflation  
5 Adjustment Act of 1998”.

1 **SEC. 2. INFLATION ADJUSTMENT OF UNIFIED CREDIT**  
2 **AGAINST ESTATE AND GIFT TAXES.**

3 (a) **IN GENERAL.**—Section 2010 of the Internal Rev-  
4 enue Code of 1986 (relating to unified credit against es-  
5 tate tax) is amended by redesignating subsection (d) as  
6 subsection (e) and by inserting after subsection (c) the fol-  
7 lowing new subsection:

8 “(d) **COST-OF-LIVING ADJUSTMENT.**—In the case of  
9 any decedent dying, and gift made, in a calendar year  
10 after 2006, the \$1,000,000 amount set forth in subsection  
11 (c) shall be increased by an amount equal to—

12 “(1) \$1,000,000, multiplied by

13 “(2) the cost-of-living adjustment determined  
14 under section 1(f)(3) for such calendar year by sub-  
15 stituting ‘calendar year 2005’ for ‘calendar year  
16 1992’ in subparagraph (B) thereof.

17 If any amount as adjusted under the preceding sentence  
18 is not a multiple of \$10,000, such amount shall be round-  
19 ed to the nearest multiple of \$10,000.”

20 (b) **EFFECTIVE DATE.**—The amendment made by  
21 this section shall apply to the estates of decedents dying,  
22 and gifts made, after December 31, 2006.

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