

106TH CONGRESS
2D SESSION

H. R. 5138

To amend the Internal Revenue Code of 1986 to increase the unified credit against estate and gift taxes to the equivalent of \$4,000,000.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 7, 2000

Mr. MORAN of Kansas introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to increase the unified credit against estate and gift taxes to the equivalent of \$4,000,000.

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 “Estate Tax Reduction
5 Act of 2000”.

6 **SEC. 2. UNIFIED CREDIT INCREASED TO EQUIVALENT OF**
7 **\$4,000,000 EXCLUSION; INFLATION ADJUST-**
8 **MENT OF UNIFIED CREDIT.**

9 (a) IN GENERAL.—Subsection (c) of section 2010 of
10 the Internal Revenue Code of 1986 (relating to applicable

1 credit amount) is amended by striking all that follows
2 “were the applicable exclusion amount” and inserting “.
3 For purposes of the preceding sentence, the applicable ex-
4 clusion amount is \$4,000,000.”

5 (b) INFLATION ADJUSTMENT.—Section 2010 of such
6 Code is amended by redesignating subsection (d) as sub-
7 section (e) and by inserting after subsection (c) the fol-
8 lowing new subsection:

9 “(d) COST-OF-LIVING ADJUSTMENT.—In the case of
10 any decedent dying, and gift made, in a calendar year
11 after 2001, the \$4,000,000 amount set forth in subsection
12 (c) shall be increased by an amount equal to—

13 “(1) \$4,000,000, multiplied by

14 “(2) the cost-of-living adjustment determined
15 under section 1(f)(3) for such calendar year by sub-
16 stituting ‘calendar year 2000’ for ‘calendar year
17 1992’ in subparagraph (B) thereof.

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

21 (c) CONFORMING AMENDMENT.—Subparagraph (A)
22 of section 2057(a)(3) of such Code is amended by striking
23 “\$625,000” and inserting “the excess of the applicable ex-
24 clusion amount (determined without regard to this para-
25 graph) over \$675,000”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to estates of decedents dying, and
3 gifts made, after the date of the enactment of this Act.

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