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109TH CONGRESS
2d Session
HOUSE OF REPRESENTATIVES
REPORT
109–517

PROVIDING FOR CONSIDERATION OF H.R. 5638, PERMANENT ESTATE TAX RELIEF ACT OF 2006

JUNE 21, 2006.—Referred to the House Calendar and ordered to be printed

Mr. HASTINGS of Washington, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res. 885]

The Committee on Rules, having had under consideration House Resolution 885, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for the consideration of H.R. 5638, the Permanent Estate Tax Relief Act of 2006, under a closed rule. The rule provides one hour of debate in the House equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The rule waives all points of order against consideration of the bill.

The rule provides that the amendment printed in this report shall be considered as adopted. Finally, the rule provides one motion to recommit with or without instructions.

EXPLANATION OF WAIVERS

The Committee is not aware of any points of order against consideration of the bill. The waiver of all points of order against consideration of the bill is prophylactic in nature.

COMMITTEE VOTES

Pursuant to clause 3(b) of House rule XIII the results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee record vote No. 227

Date: June 21, 2006.

Measure: H.R. 5638, Permanent Estate Tax Relief Act of 2006.

49–008

Motion by: Mr. McGovern.

Summary of motion: To make in order and provide the appropriate waivers for the amendment offered by Representative Pomeroy, which makes the effective date of the bill January 1, 2007, dedicates estate taxes to the Social Security Trust Fund and requires additional IRS resources to reduce the tax gap by 5% annually.

Results: Defeated 3 to 7.

Vote by Members: Hastings (WA)—Nay; Sessions—Nay; Putnam—Nay; Capito—Nay; Bishop—Nay; Gingrey—Nay; McGovern—Yea; Hastings (FL)—Yea; Matsui—Yea; Dreier—Nay.

SUMMARY OF AMENDMENT TO BE CONSIDERED AS ADOPTED

Thomas (CA): Manager's Amendment. Makes a technical change to H.R. 5638 by adding to Section 3, paragraph (b) (relating to conforming amendments) an additional conforming amendment to clarify the portability rules relating to the generation skipping transfer tax. Also indexes the $5 million exemption amount to reflect inflation.

TEXT OF AMENDMENT TO BE CONSIDERED AS ADOPTED

Page 2, strike lines 21 through 23, and insert the following:

"(2) APPLICABLE EXCLUSION AMOUNT.—

"(A) IN GENERAL.—For purposes of this subsection, the applicable exclusion amount is $5,000,000.

"(B) INFLATION ADJUSTMENT.—In the case of any decedent dying in a calendar year after 2010, the dollar amount in subparagraph (A) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2009' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $100,000, such amount shall be rounded to the nearest multiple of $100,000.".

Page 8, strike lines 10 through 12, and insert the following:

"(3) BASIC EXCLUSION AMOUNT.—

"(A) IN GENERAL.—For purposes of this subsection, the basic exclusion amount is $5,000,000.

"(B) INFLATION ADJUSTMENT.—In the case of any decedent dying in a calendar year after 2010, the dollar amount in subparagraph (A) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2009' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $100,000, such amount shall be rounded to the nearest multiple of $100,000.".

Page 10, after line 16, insert the following:

(2) Section 2631(c) of such Code is amended by striking "the applicable exclusion amount" and inserting "the basic exclusion amount".

Page 10, line 17, strike "(2)" and insert "(3)".

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