

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 1039  
**Version:** As introduced

**DATE:** February 23, 2015

**Authors:** Selcer and others

**Subject:** Estate tax – retroactively delaying the taxation of certain gifts

**Analyst:** Joel Michael, joel.michael@house.mn

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: [www.house.mn/hrd/](http://www.house.mn/hrd/).

### Overview

This bill retroactively delays imposition of the estate tax on taxable gifts made within three years of deaths until gifts made after June 30, 2016.

Under tax legislation enacted in 2013, taxable gifts made within three years of death are subject to the estate tax. (Taxable gifts are gifts that exceed the per recipient, annual exclusion amount under the federal gift tax. This amount is \$14,000 for gifts made in 2015. It is indexed for inflation.) The 2013 provision was effective for gifts made after June 30, 2013. The bill delays that provision by three years and provides for payment of refunds to estates that paid tax as a result.

### Section

- 1** **Estate tax; taxable gifts.** Delays imposition of the estate tax on taxable gifts made within three years of death from gifts made after June 30, 2013 to gifts made after June 30, 2016.  
**Effective date:** Retroactive for estates of decedents dying after June 30, 2013
- 2** **Effective date; 2013 tax act.** Amends the effective date of the 2013 tax act to be consistent with the delay in imposition of the tax under section 1.
- 3** **Amended returns.** Authorizes filing of amended returns to claim refunds under section 1's change in the effective date without regard to the statute of limitations on filing claims for refunds.
- 4** **Appropriation.** Appropriates money from the general fund necessary to pay the refunds authorized by the bill.

**Section**

**5**        **Repealer.** Repeals a transition provision defining taxable gift made in 2013 in the first 2014 tax bill. This provision is not needed, if inclusion of gifts in the taxable estate is delayed until 2016.