

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2015 REGULAR SESSION**

MEASURE

2015 BR NUMBER **0069**

HOUSE BILL NUMBER **17**

RESOLUTION NUMBER _____

AMENDMENT NUMBER _____

SUBJECT/TITLE **An ACT relating to the inheritance tax.**

SPONSOR **Representative Thomas Kerr**

NOTE SUMMARY

FISCAL ANALYSIS: IMPACT NO IMPACT INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT: STATE LOCAL FEDERAL

BUDGET UNIT(S) IMPACT: _____

FUND(S) IMPACT: GENERAL ROAD FEDERAL RESTRICTED AGENCY _____ OTHER

FISCAL SUMMARY

FISCAL ESTIMATES	2014-2015	2015-2016	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES		(\$1,000,000)	(\$1,000,000)
EXPENDITURES			
NET EFFECT		(\$1,000,000)	(\$1,000,000)

() indicates a decrease/negative

MEASURE'S PURPOSE: The proposal allows a daughter-in-law or a son-in-law to be classified as a Class A beneficiary for inheritance tax purposes. This classification exempts the beneficiary from the payment of inheritance tax.

PROVISIONS/MECHANICS: KRS 140.070 is amended to include within the Class A beneficiary classification a daughter-in-law and a son-in-law. Those same beneficiaries are deleted from the Class B beneficiary classification within the same statute. The provisions apply to estates of decedents dying on or after July 1, 2015.

FISCAL EXPLANATION: The Office of the State Budget Director and the Department of Revenue, using Inheritance Tax data, estimate the negative impact of exempting a daughter-in-law or a son-in-law from the Inheritance tax to be no more than \$1 million.

DATA SOURCE(S): **OSBD and DOR**

PREPARER: **Jennifer Hays** **NOTE NUMBER:** **39** **REVIEW:** **GMR** **DATE:** **3/2/2015**

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