
SENATE BILL 5487

State of Washington

60th Legislature

2007 Regular Session

By Senators Schoesler, Rasmussen, Honeyford, Holmquist, Stevens, Pflug, Brandland, Clements, Roach, Sheldon, Morton, Jacobsen, Delvin, Benton and Parlette

Read first time 01/22/2007. Referred to Committee on Ways & Means.

1 AN ACT Relating to increasing the amount of the applicable
2 exclusion for the estate tax; and amending RCW 83.100.020 and
3 83.100.050.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 83.100.020 and 2005 c 516 s 2 are each amended to read
6 as follows:

7 As used in this chapter:

8 (1) "Decedent" means a deceased individual;

9 (2) "Department" means the department of revenue, the director of
10 that department, or any employee of the department exercising authority
11 lawfully delegated to him by the director;

12 (3) "Federal return" means any tax return required by chapter 11 of
13 the Internal Revenue Code;

14 (4) "Federal tax" means a tax under chapter 11 of the Internal
15 Revenue Code;

16 (5) "Gross estate" means "gross estate" as defined and used in
17 section 2031 of the Internal Revenue Code;

18 (6) "Person" means any individual, estate, trust, receiver,
19 cooperative association, club, corporation, company, firm, partnership,

1 joint venture, syndicate, or other entity and, to the extent permitted
2 by law, any federal, state, or other governmental unit or subdivision
3 or agency, department, or instrumentality thereof;

4 (7) "Person required to file the federal return" means any person
5 required to file a return required by chapter 11 of the Internal
6 Revenue Code, such as the personal representative of an estate;

7 (8) "Property" means property included in the gross estate;

8 (9) "Resident" means a decedent who was domiciled in Washington at
9 time of death;

10 (10) "Taxpayer" means a person upon whom tax is imposed under this
11 chapter, including an estate or a person liable for tax under RCW
12 83.100.120;

13 (11) "Transfer" means "transfer" as used in section 2001 of the
14 Internal Revenue Code. However, "transfer" does not include a
15 qualified heir disposing of an interest in property qualifying for a
16 deduction under RCW 83.100.046 or ceasing to use the property for
17 farming purposes;

18 (12) "Internal Revenue Code" means, for the purposes of this
19 chapter and RCW (~~83.110.010~~) 83.110A.010, the United States internal
20 revenue code of 1986, as amended or renumbered as of January 1, 2005;

21 (13) "Washington taxable estate" means the federal taxable estate,
22 less: (a) One million five hundred thousand dollars for decedents
23 dying before January 1, 2006; and (b) two million dollars for decedents
24 dying on or after January 1, 2006; and (c) the amount of any deduction
25 allowed under RCW 83.100.046. The amounts referenced in (a) and (b) of
26 this subsection must be increased by the growth factor for decedents
27 dying on or after January 1, 2008, and subsequently increased by the
28 growth factor each January 1st thereafter; ((and))

29 (14) "Federal taxable estate" means the taxable estate as
30 determined under chapter 11 of the internal revenue code without regard
31 to: (a) The termination of the federal estate tax under section 2210
32 of the Internal Revenue Code or any other provision of law, and (b) the
33 deduction for state estate, inheritance, legacy, or succession taxes
34 allowable under section 2058 of the internal revenue code; and

35 (15) "Growth factor" means the previous fiscal year's average
36 consumer price index, using the official current base, compiled by the
37 bureau of labor statistics, United States department of labor for the
38 state of Washington. If the bureau of labor statistics develops more

1 than one consumer price index for areas within the state, the index
2 covering the greatest number of people, covering areas exclusively
3 within the boundaries of the state, and including all items shall be
4 used for the growth factor.

5 **Sec. 2.** RCW 83.100.050 and 2005 c 516 s 5 are each amended to read
6 as follows:

7 (1) A Washington return must be filed if: (a) A federal return is
8 required to be filed; or (b) for decedents dying prior to January 1,
9 2006, the gross estate exceeds one million five hundred thousand
10 dollars; or (c) for decedents dying on or after January 1, 2006, the
11 gross estate exceeds two million dollars. The amounts referenced in
12 (b) and (c) of this subsection shall be increased by the growth factor
13 for decedents dying on or after January 1, 2008, and subsequently
14 increased by the growth factor each January 1st thereafter.

15 (2)(a) A person required to file a federal return shall file with
16 the department on or before the date the federal return is required to
17 be filed, including any extension of time for filing under subsection
18 (4) of this section, a Washington return for the tax due under this
19 chapter.

20 (b) If no federal return is required to be filed, a taxpayer shall
21 file with the department on or before the date a federal return would
22 have been required to be filed, including any extension of time for
23 filing under subsection (5) of this section, a Washington return for
24 the tax due under this chapter.

25 (3) A Washington return delivered to the department by United
26 States mail shall be considered to have been received by the department
27 on the date of the United States postmark stamped on the cover in which
28 the return is mailed, if the postmark date is within the time allowed
29 for filing the Washington return, including extensions.

30 (4) In addition to the Washington return required to be filed in
31 subsection (2) of this section, a person, if required to file a federal
32 return, shall file with the department on or before the date the
33 federal return((~~7~~)) is required to be filed a copy of the federal
34 return along with all supporting documentation. If the person required
35 to file the federal return has obtained an extension of time for filing
36 the federal return, the person shall file the Washington return within
37 the same time period and in the same manner as provided for the federal

1 return. A copy of the federal extension shall be filed with the
2 department on or before the date the Washington return is due, not
3 including any extension of time for filing, or within thirty days of
4 issuance, whichever is later.

5 (5) A person who is required to file a Washington return under
6 subsection (2) of this section, but is not required to file a federal
7 return, may obtain an extension of time for filing the Washington
8 return as provided by rule of the department.

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