

106TH CONGRESS  
2D SESSION

# H. R. 4112

To amend the Internal Revenue Code of 1986 to increase the unified credit against estate and gift taxes to an exclusion equivalent of \$10,000,000 and to provide for an inflation adjustment of such amount.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 29, 2000

Mr. EWING (for himself, Mr. GOODLING, Mr. WELLER, Mr. BOEHNER, Mr. BARRETT of Nebraska, Mr. POMBO, Mr. SMITH of Michigan, Mr. LUCAS of Oklahoma, Mr. CHAMBLISS, Mr. LAHOOD, Mr. MORAN of Kansas, Mr. FLETCHER, Mr. HAYES, Mr. SIMPSON, Mr. PETERSON of Minnesota, Mr. CANADY of Florida, Mr. COOKSEY, Mr. JENKINS, Mr. WELDON of Florida, Mr. MANZULLO, Mr. COBURN, Mr. HOEKSTRA, Mr. SCHAFFER, Mr. SAXTON, Mr. THUNE, Mr. SESSIONS, Mr. SKEEN, Mr. BILIRAKIS, Mr. WALDEN of Oregon, Mr. BUYER, Mr. CALVERT, Mr. LUCAS of Kentucky, Mr. DREIER, Mrs. BIGGERT, Mr. ENGLISH, Mr. BEREUTER, Mr. HUTCHINSON, Mr. TIAHRT, Mr. GREEN of Wisconsin, Mr. WHITFIELD, and Mr. LATOURETTE) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to increase the unified credit against estate and gift taxes to an exclusion equivalent of \$10,000,000 and to provide for an inflation adjustment of such amount.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. UNIFIED CREDIT AGAINST ESTATE AND GIFT**  
 2 **TAXES INCREASED TO EXCLUSION EQUIVA-**  
 3 **LENT OF \$10,000,000.**

4 (a) IN GENERAL.—Subsection (c) of section 2010 of  
 5 the Internal Revenue Code of 1986 (relating to applicable  
 6 credit amount) is amended by striking the table and in-  
 7 serting the following new table:

<b>“In the case of estates of decedents dying, and gifts made, during:</b>	<b>The applicable exclusion amount is:</b>
2000 .....	\$5,000,000
2001 .....	\$6,750,000
2002 .....	\$8,500,000
2003 or thereafter .....	\$10,000,000.”

8 (b) INFLATION ADJUSTMENT OF UNIFIED CREDIT.—  
 9 Section 2010 of such Code is amended by redesignating  
 10 subsection (d) as subsection (e) and by inserting after sub-  
 11 section (c) the following new subsection:

12 “(d) INFLATION ADJUSTMENT.—In the case of any  
 13 decedent dying, and gift made, in a calendar year after  
 14 2003, the \$10,000,000 amount set forth in subsection (c)  
 15 shall be increased by an amount equal to—

16 “(1) \$10,000,000, multiplied by

17 “(2) the cost-of-living adjustment determined  
 18 under section 1(f)(3) for such calendar year by sub-  
 19 stituting ‘calendar year 2002’ for ‘calendar year  
 20 1992’ in subparagraph (B) thereof.

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

4 (c) REPEAL OF SMALLER SEPARATE EXCLUSION FOR  
5 FAMILY-OWNED BUSINESS INTERESTS.—

6 (1) IN GENERAL.—Section 2057 of such Code  
7 is hereby repealed.

8 (2) CLERICAL AMENDMENT.—The table of sec-  
9 tions for part IV of subchapter A of chapter 11 of  
10 such Code is amended by striking the item relating  
11 to section 2057.

12 (d) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to estates of decedents dying, and  
14 gifts made, after December 31, 2000.

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