
A BILL FOR AN ACT

RELATING TO THE ESTATE AND TRANSFER TAX.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 236D-2, Hawaii Revised Statutes, is
2 amended:

3 1. By adding a new definition to be appropriately inserted
4 and to read as follows:

5 "Internal Revenue Code" means the federal Internal Revenue
6 Code of 1986, as amended or renumbered, except for sections 2011
7 and 2604 of the Internal Revenue Code as they existed on
8 December 31, 2000."

9 2. By amending the definitions of "federal credit",
10 "generation-skipping transfer", "gross estate", "personal
11 representative", "section 2011", "taxable estate", and
12 "transfer" to read:

13 "Federal credit" means:

14 (1) For a transfer, the maximum amount of the credit for
15 state death taxes allowed by section 2011 for the
16 decedent's adjusted taxable estate; and

17 (2) For a generation-skipping transfer, the maximum amount
18 of the credit for state taxes allowed by section 2604



1 of the [~~federal~~] Internal Revenue Code [~~of 1986, as~~
2 ~~amended or renumbered.~~] as it existed on December 31,
3 2000.

4 "Generation-skipping transfer" means a generation-skipping
5 transfer as defined and used in section 2611 of the [~~federal~~]
6 Internal Revenue Code [~~of 1986, as amended or renumbered~~].

7 "Gross estate" means gross estate as defined and used in
8 sections 2031 to [~~2045~~] 2046 of the [~~federal~~] Internal Revenue
9 Code [~~of 1986, as amended or renumbered~~].

10 "Personal representative" means the personal representative
11 of a decedent appointed under chapter 560, and includes an
12 executor (as defined under section 2203 of the [~~federal~~]
13 Internal Revenue Code [~~of 1986, as amended or renumbered~~]),
14 administrator, successor personal representative, special
15 administrator, and persons who perform substantially the same
16 function under the law governing their status.

17 "Section 2011" means section 2011 of the [~~federal~~] Internal
18 Revenue Code [~~of 1986, as amended or renumbered.~~] as it existed
19 on December 31, 2000.

20 "Taxable estate" means taxable estate as defined in
21 sections 2051 to 2056 of the [~~federal~~] Internal Revenue Code [~~of~~
22 ~~1986, as amended or renumbered.~~] and section 2058 of the



1 Internal Revenue Code, with respect to estates of decedents
2 dying and generation-skipping transfers, after December 31,
3 2005.

4 "Transfer" means transfer as defined and used in section
5 2001 of the [~~federal~~] Internal Revenue Code [~~of 1986, as amended~~
6 ~~or renumbered~~]."

7 SECTION 2. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 3. This Act shall take effect upon its approval
10 and shall apply to property or interests that pass from any
11 individual who dies after December 31, 2005, and to generation-
12 skipping transfers after December 31, 2005.

13

INTRODUCED BY:

JAN 19 2006



H.B. NO. 1925

Report Title:

Estate and Transfer Tax

Description:

Retains the State's ability to "pick-up" the state death tax credit as it existed in the Internal Revenue Code before the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

