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## A BILL FOR AN ACT

RELATING TO CONFORMITY OF THE HAWAII ESTATE AND GENERATION-  
SKIPPING TRANSFER TAX LAW TO THE INTERNAL REVENUE CODE.

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

1           SECTION 1. The purpose of this Act is to conform the  
2 Hawaii estate and generation-skipping transfer tax law to the  
3 Internal Revenue Code. On January 2, 2013, Public Law 112-240,  
4 also known as the American Taxpayer Relief Act of 2012, was  
5 enacted by the federal government. Public Law 112-240 included  
6 many provisions that extended tax features that expired or were  
7 set to expire. By adopting the Internal Revenue Code as amended  
8 as of January 2, 2013, instead of December 31, 2012, Hawaii  
9 estate and generation-skipping transfer tax law will conform  
10 more closely to the Internal Revenue Code as the stated  
11 legislative intent in section 236E-5, Hawaii Revised Statutes,  
12 suggests.

13           SECTION 2. Section 236E-3, Hawaii Revised Statutes, is  
14 amended to read as follows:

15           "**[+]§236E-3[+]** **Conformance to the Internal Revenue**  
16 **Code; general application.** For all decedents dying after January  
17 25, 2012, as used in this chapter, "Internal Revenue Code" means



1 subtitle B of the federal Internal Revenue Code of 1986, as  
2 amended as of [~~December 31, 2011,~~] January 2, 2013, as it  
3 applies to the determination of gross estate, adjusted gross  
4 estate, federal taxable estate, and generation-skipping  
5 transfers, except those provisions of the Internal Revenue Code  
6 and federal public laws that, pursuant to this chapter, do not  
7 apply or are otherwise limited in application."

8 SECTION 3. Section 236E-4, Hawaii Revised Statutes, is  
9 amended by amending subsection (c) to read as follows:

10 "(c) The department shall submit to the legislature, no  
11 later than twenty days prior to the convening of each regular  
12 session, proposed legislation to amend section 236E-3 and any  
13 other sections and subsections of this chapter as may be  
14 necessary to adopt the Internal Revenue Code as it exists on  
15 [~~the December 31 preceding the regular session.~~] January 2,  
16 2013. In submitting the proposed legislation, the department  
17 may provide that certain amendments made to the Internal Revenue  
18 Code by Congress during the preceding calendar year shall not be  
19 operative in this State or shall be limited in their operation.  
20 The department shall also prepare a digest and explanation of  
21 the amended provisions of the Internal Revenue Code recommended  
22 for operation, as well as those provisions that are recommended



1 to be limited in their operation, or that are not recommended  
2 for operation, and shall submit with the proposed legislation  
3 required by this subsection the digest, explanation, and a  
4 statement of revenue impact of the adoption of the proposed  
5 legislation. In preparing the proposed legislation, digest, and  
6 explanation, the department may request the assistance of the  
7 legislative reference bureau.

8 It is the intent of the legislature to adopt all amendments  
9 made to the Internal Revenue Code during the calendar year  
10 preceding each regular session; provided that the legislature  
11 may choose to adopt none of the amendments to the Internal  
12 Revenue Code or may provide that certain amendments are limited  
13 in their operation.

14 All provisions of the Internal Revenue Code referred to in  
15 this chapter that apply to a husband and wife, spouses, or  
16 persons in a legal marital relationship shall be deemed to apply  
17 in this chapter to partners in a civil union with the same force  
18 and effect as if they were "husband and wife", "spouses", or  
19 other terms that describe persons in a legal marital  
20 relationship."

21 SECTION 4. Statutory material to be repealed is bracketed  
22 and stricken. New statutory material is underscored.



1 SECTION 5. This Act shall take effect upon its approval.



**Report Title:**

Estate and Generation-Skipping Transfer Tax; Conformity to the Internal Revenue Code for 2012

**Description:**

Amends the Hawaii estate and generation-skipping transfer tax law to conform to the Internal Revenue Code in existence on 01/02/2013. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

