

SENATE, No. 1777

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

Senator FRED H. MADDEN, JR.

District 4 (Camden and Gloucester)

SYNOPSIS

Eliminates transfer inheritance taxes on brothers and sisters of a decedent.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** eliminating transfer inheritance taxes on brothers or sisters
2 of a decedent, amending R.S.54:34-2.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. R.S.54:34-2 is amended to read as follows:
8 54:34-2. a. (1) The transfer of property to a husband or wife,
9 or a domestic partner as defined in section 3 of P.L.2003, c.246
10 (C.26:8A-3), of a decedent shall be taxed at the following rates:

11 For transfers made through December 31, 1984:
12 On any amount in excess of \$15,000.00, up to \$50,000.00
13 2%
14 On any amount in excess of \$50,000.00, up to \$100,000.00
15 3%
16 On any amount in excess of \$100,000.00, up to \$150,000.00
17 4 %
18 On any amount in excess of \$150,000.00, up to \$200,000.00
19 5%
20 On any amount in excess of \$200,000.00, up to \$300,000.00
21 6%
22 On any amount in excess of \$300,000.00, up to \$500,000.00
23 7%
24 On any amount in excess of \$500,000.00, up to \$700,000.00
25 8%
26 On any amount in excess of \$700,000.00, up to \$900,000.00
27 9%
28 On any amount in excess of \$900,000.00, up to \$1,100,000.00 ...
29 10%
30 On any amount in excess of \$1,100,000.00, up to \$1,400,000.00
31 11%
32 On any amount in excess of \$1,400,000.00, up to \$1,700,000.00
33 12%
34 On any amount in excess of \$1,700,000.00, up to \$2,200,000.00
35 13%
36 On any amount in excess of \$2,200,000.00, up to \$2,700,000.00
37 14%
38 On any amount in excess of \$2,700,000.00, up to \$3,200,000.00
39 15%
40 On any amount in excess of \$3,200,000.00
41 16%

42 For transfers made on or after January 1, 1985 there shall be no
43 tax imposed under this paragraph.

44 (2) The transfer of property to a father, mother, grandparent,
45 child or children of a decedent, or to any child or children adopted
46 by the decedent in conformity with the laws of this State, or of any

EXPLANATION – Matter enclosed in bold-faced brackets **【thus】** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 of the United States or of a foreign country, or the issue of any child
2 or legally adopted child of a decedent, shall be taxed at the
3 following rates:
4 For transfers through June 30, 1985:
5 On any amount in excess of \$15,000.00, up to \$50,000.00
6 2%
7 On any amount in excess of \$50,000.00, up to \$100,000.00
8 3%
9 On any amount in excess of \$100,000.00, up to \$150,000.00
10 4%
11 On any amount in excess of \$150,000.00, up to \$200,000.00
12 5%
13 On any amount in excess of \$200,000.00, up to \$300,000.00
14 6%
15 On any amount in excess of \$300,000.00, up to \$500,000.00
16 7%
17 On any amount in excess of \$500,000.00, up to \$700,000.00
18 8%
19 On any amount in excess of \$700,000.00, up to \$900,000.00
20 9%
21 On any amount in excess of \$900,000.00, up to \$1,100,000.00 ...
22 10%
23 On any amount in excess of \$1,100,000.00, up to \$1,400,000.00 .
24 11%
25 On any amount in excess of \$1,400,000.00, up to \$1,700,000.00 .
26 12%
27 On any amount in excess of \$1,700,000.00, up to \$2,200,000.00
28 13%
29 On any amount in excess of \$2,200,000.00, up to \$2,700,000.00
30 14%
31 On any amount in excess of \$2,700,000.00, up to \$3,200,000.00
32 15%
33 On any amount in excess of \$3,200,000.00
34 16%
35 For transfers made from July 1, 1985 through June 30, 1986:
36 On any amount in excess of \$50,000.00, up to \$100,000.00
37 3%
38 On any amount in excess of \$100,000.00, up to \$150,000.00
39 4%
40 On any amount in excess of \$150,000.00, up to \$200,000.00
41 5%
42 On any amount in excess of \$200,000.00, up to \$300,000.00
43 6%
44 On any amount in excess of \$300,000.00, up to \$500,000.00
45 7%
46 On any amount in excess of \$500,000.00, up to \$700,000.00
47 8%

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1	On any amount in excess of \$700,000.00, up to \$900,000.00
2	9%
3	On any amount in excess of \$900,000.00, up to \$1,100,000.00
4	10%
5	On any amount in excess of \$1,100,000.00, up to \$1,400,000.00
6	11%
7	On any amount in excess of \$1,400,000.00, up to \$1,700,000.00
8	12%
9	On any amount in excess of \$1,700,000.00, up to \$2,200,000.00
10	13%
11	On any amount in excess of \$2,200,000.00, up to \$2,700,000.00
12	14%
13	On any amount in excess of \$2,700,000.00, up to \$3,200,000.00
14	15%
15	On any amount in excess of \$3,200,000.00
16	16%
17	For transfers made from July 1, 1986 through June 30, 1987:
18	On any amount in excess of \$150,000.00, up to \$200,000.00
19	5%
20	On any amount in excess of \$200,000.00, up to \$300,000.00
21	6%
22	On any amount in excess of \$300,000.00, up to \$500,000.00
23	7%
24	On any amount in excess of \$500,000.00, up to \$700,000.00
25	8%
26	On any amount in excess of \$700,000.00, up to \$900,000.00
27	9%
28	On any amount in excess of \$900,000.00, up to \$1,100,000.00 ...
29	10%
30	On any amount in excess of \$1,100,000.00, up to \$1,400,000.00 .
31	11%
32	On any amount in excess of \$1,400,000.00, up to \$1,700,000.00
33	12%
34	On any amount in excess of \$1,700,000.00, up to \$2,200,000.00
35	13%
36	On any amount in excess of \$2,200,000.00, up to \$2,700,000.00
37	14%
38	On any amount in excess of \$2,700,000.00, up to \$3,200,000.00
39	15%
40	On any amount in excess of \$3,200,000.00
41	16%
42	For transfers made from July 1, 1987 through June 30, 1988:
43	On any amount in excess of \$250,000.00, up to \$300,000.00
44	6%
45	On any amount in excess of \$300,000.00, up to \$500,000.00
46	7%
47	On any amount in excess of \$500,000.00, up to \$700,000.00
48	8%

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- 1 On any amount in excess of \$700,000.00, up to \$900,000.00
2 9%
3 On any amount in excess of \$900,000.00, up to \$1,100,000.00 ...
4 10%
5 On any amount in excess of \$1,100,000.00, up to \$1,400,000.00 .
6 11%
7 On any amount in excess of \$1,400,000.00, up to \$1,700,000.00 .
8 12%
9 On any amount in excess of \$1,700,000.00, up to \$2,200,000.00
10 13%
11 On any amount in excess of \$2,200,000.00, up to \$2,700,000.00
12 14%
13 On any amount in excess of \$2,700,000.00, up to \$3,200,000.00
14 15%
15 On any amount in excess of \$3,200,000.00
16 16%
17 For transfers made on or after July 1, 1988 there shall be no tax
18 imposed under this subsection.
19 b. (Deleted by amendment.)
20 c. The transfer of property to a brother or sister of a decedent,
21 wife or widow of a son of a decedent, or husband or widower of a
22 daughter of a decedent shall be taxed at the following rates:
23 **[(1)]** For transfers through June 30, 1988:
24 On any amount up to \$1,100,000.00
25 11%
26 On any amount in excess of \$1,100,000.00, up to \$1,400,000.00
27 13%
28 On any amount in excess of \$1,400,000.00, up to \$1,700,000.00
29 14%
30 On any amount in excess of \$1,700,000.00
31 16%
32 **[(2)]** For transfers made on or after July 1, 1988:
33 On any amount in excess of \$25,000.00, up to \$1,100,000.00
34 11%
35 On any amount in excess of \$1,100,000.00, up to \$1,400,000.00
36 13%
37 On any amount in excess of \$1,400,000.00, up to \$1,700,000.00
38 14%
39 On any amount in excess of \$1,700,000.00
40 16%
41 For transfers made to a brother or sister of a decedent on or after
42 January 1, 2014, there shall be no tax imposed under this
43 subsection.
44 d. The transfer of property to every other transferee, distributee
45 or beneficiary not hereinbefore classified shall be taxed at the
46 following rates:

1 On any amount up to \$700,000.00
2 15%
3 On any amount in excess of \$700,000.00
4 16%
5 For every purpose of this subtitle all persons, including the
6 decedent, shall be deemed to have been born in lawful wedlock and
7 this provision shall apply to the estate of every decedent whether
8 said decedent died before March 25, 1935, or shall die thereafter,
9 but it shall not entitle any person to a refund of any tax paid before
10 the aforementioned date.
11 (cf: P.L.2003, c.246, s.37)

12
13 2. This act shall take effect immediately.
14
15

16 STATEMENT
17

18 This bill amends the New Jersey transfer inheritance tax to
19 eliminate the tax on brothers and sisters of a decedent for transfers
20 made on or after January 1, 2014. Presently, transfers to brothers
21 and sisters of a decedent are taxed according to the rate imposed on
22 "Class C" beneficiaries, or at a rate of 11 to 16 percent depending
23 on the amount transferred, with the first \$25,000 exempt from
24 taxation. This bill would effectively treat transfers to a brother or
25 sister of a decedent on par with transfers to other immediate family
26 members, including the spouse, domestic partner, civil union
27 partner, father, mother, grandparent, or child of a decedent.