

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE

House Bill 229 (Delegate Goldwater, et al.)  
Ways and Means

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**Inheritance Tax - Surviving Spouse**

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This bill exempts from the inheritance tax all property passing from a decedent to a surviving spouse. Under current law, only property passing by right of survivorship, real property, and the first \$100,000 of other property is exempt.

This bill is effective July 1, 1996, and applies to persons dying on or after July 1, 1996.

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**Fiscal Summary**

**State Effect:** General fund revenues could decline an indeterminate amount beginning in FY 1997. Expenditures would not be affected.

**Local Effect:** None.

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**Fiscal Analysis**

**State Revenues:** For those estates valued under \$600,000 with property which would become exempt under this bill, general fund revenues from the inheritance tax will decline. For those estates valued over \$600,000, the revenue loss will generally be offset by an increase in estate taxes. Because of the inherent variability of death tax revenue, the revenue loss occasioned by this bill cannot be reliably estimated at this time.

As a point of information, had this bill been in effect in fiscal 1995, general fund revenues from the inheritance tax would have been approximately \$1.4 million lower, based on a survey of all Registers of Wills for fiscal 1995 filings.

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**Information Source(s):** Office of the Comptroller (Revenue Administration Division),

Register of Wills, Department of Fiscal Services

**Fiscal Note History:** First Reader - February 5, 1996

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