

CF 7r1010

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**By: Delegate Vallario**

Introduced and read first time: January 31, 1997

Assigned to: Judiciary

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## A BILL ENTITLED

1 AN ACT concerning

2 **Estates - Taxation, Fees, and Procedures**

3 FOR the purpose of changing certain fees charged for the administration of an estate in  
4 probate and for guardianship proceedings; altering the fee for administration of  
5 certain estates by a foreign personal representative; establishing net value of an  
6 asset rather than gross value of an asset as the method of valuation used for small  
7 estates; eliminating the authority of the Motor Vehicle Administration to transfer  
8 title of certain motor vehicles under certain circumstances; authorizing payment,  
9 without court approval, of certain commissions and fees for the administration of  
10 certain estates under certain circumstances; exempting certain assets from  
11 inheritance taxation; changing the inheritance tax rate for property passing to  
12 certain persons; making certain stylistic changes; and generally relating to fees and  
13 procedures for the administration of and taxation of estates.

14 BY repealing and reenacting, without amendments,  
15 Article - Estates and Trusts  
16 Section 2-206(a)  
17 Annotated Code of Maryland  
18 (1991 Replacement Volume and 1996 Supplement)

19 BY repealing and reenacting, with amendments,  
20 Article - Estates and Trusts  
21 Section 2-206(c) through (p), 5-206, 5-601, 7-202, and 8-106  
22 Annotated Code of Maryland  
23 (1991 Replacement Volume and 1996 Supplement)

24 BY repealing  
25 Article - Estates and Trusts  
26 Section 5-608  
27 Annotated Code of Maryland  
28 (1991 Replacement Volume and 1996 Supplement)

29 BY adding to  
30 Article - Estates and Trusts  
31 Section 7-604

2

1 Annotated Code of Maryland  
2 (1991 Replacement Volume and 1996 Supplement)

3 BY repealing and reenacting, with amendments,  
4 Article - Tax - General  
5 Section 7-203(g) and 7-204  
6 Annotated Code of Maryland  
7 (1988 Volume and 1996 Supplement)

8 BY adding to  
9 Article - Tax - General  
10 Section 7-203(k)  
11 Annotated Code of Maryland  
12 (1988 Volume and 1996 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article - Estates and Trusts**

16 2-206.

17 (a) The registers of wills are entitled to charge and collect for the performance of  
18 their duties the fees in this section.

19 (c) For furnishing additional certificates of letters, with seal.....[ \$1.00] \$1

20 (d) For affixing seal of office to a transcript or other paper, if expressly required  
21 by law or a person .....[ \$1.00] \$1

22 (e) For affixing seal of office to a certificate, transcript, or other paper  
23 exemplified under the act of Congress..... [ \$2.00] \$2

24 (f) For passing and entering every claim or voucher against an estate of a  
25 deceased person, and endorsing certificate on each claim or voucher when passed by the  
26 court or register, for each.....[ \$1.00] \$3

27 (g) For entering papers in caveat or other controversial matter, for each  
28 side.....[ \$5.00] \$10

29 (h) For transcribing papers filed in caveat or other controversial proceedings  
30 when taken to higher court, per page or part of a page.....[ \$2.00] \$2

31 (i) For recording papers filed in caveat or other controversial proceedings, when  
32 mandate of higher court is filed, per page or part of a page.....[ \$2.00] \$2

33 (j) For copies of a paper or record, including plain certification and seal, per  
34 page or part of a page .....[ \$2.00] \$2

35 (k) For photostatic or other artificially reproduced copies of a paper or record,  
36 per page or part of a page .....[ \$ .50] 50 CENTS

3

1 (l) For receiving a will for deposit during the lifetime of the testator.....[\$1.00] \$5

2 (m) [For entering the appointment of a guardian, approval of sureties, and filing  
3 and recording bonds and entering on docket for 1 minor.....\$6.50

4 For each additional minor .....\$.75]

5 FOR ALL FILING AND ENTRIES REGARDING A GUARDIANSHIP PROCEEDING, A  
6 SINGLE FEE OF..... \$20

7 [(n) For filing and recording guardian accounts and petitions and orders per page  
8 or part of a page .....\$2.00]

9 [(o)] (N) For receiving and paying over an inheritance tax due the State, the  
10 register is allowed a commission of [25 percent] 25% of the inheritance tax.

11 [(p)] (O) For providing a probate information booklet and materials .....[ \$2.00] \$2

12 (P) FOR ALL PROCEEDINGS INVOLVING A FOREIGN PERSONAL  
13 REPRESENTATIVE, A SINGLE FEE OF 1% OF THE GROSS VALUE OF THE ESTATE, NOT  
14 TO EXCEED \$100.

15 5-206.

16 In a proceeding for administrative or judicial probate the petition for probate shall  
17 be in substantially the following form:

18 [In the Matter of  
19 .....  
20 Deceased

21 Before the Register of Wills for  
22 InDnT.....

23 PETITION FOR PROBATE

24 The Petition of ..... shows:

25 1. ...., the decedent, who resided at ..... in ..... County, State of .....  
26 died at ..... on .....

27 2. The decedent died (with) (without) a will.

28 3. Petitioner is entitled to be appointed personal representative of the  
29 decedent's estate under § 5-104 of the Estates and Trusts Article of the Maryland Code  
30 for the following reasons: .....

31 .....

32 .....

33 4. This is the proper office in which to file the Petition because: .....

34 .....

35 .....

4

1 5. The Petitioner has made a diligent search for a will of the decedent and, to the  
2 best of the knowledge of the Petitioner, (the will accompanying this Petition dated  
3 ..... is the decedent's latest will, and said will came into Petitioner's hands in the  
4 following manner) (none exists): .....

5 .....

6 .....

7 6. If the decedent died with a will, the names and addresses of all witnesses are:

8 .....

9 .....

10 7. All other proceedings regarding the decedent's estate are as follows: .....

11 .....

12 .....

13 8. The reason why any information required to be furnished by §§ 5-201 and  
14 5-202 of the Estates and Trusts Article has not been furnished, is as follows:

15 .....

16 .....

17 WHEREFORE, the Petitioner prays that he be granted letters appointing him  
18 personal representative of the decedent's estate and that the will, if any, be admitted to  
19 (administrative) (judicial) probate, and that the following additional relief be granted:

20 I (we) do hereby solemnly declare and affirm under the penalties of perjury that the  
21 information and representations contained in the Petition are true and correct according  
22 to my (our) knowledge, information, and belief. ....  
23 InDnT(Signature)]

24 IN THE ORPHANS' COURT FOR

25 (OR) \_\_\_\_\_, MARYLAND

26 BEFORE THE REGISTER OF WILLS FOR

27 IN THE ESTATE OF:

28 \_\_\_\_\_ ESTATE NO. \_\_\_\_\_

29 BEGIN-TABLE;c=01:000

30 <Tr01 >FOR:

31 <Tr01 >\_\_\_\_\_ REGULAR ESTATE-

32 <Tr01 >PETITION FOR PROBATE,

33 <Tr01 >ESTATE VALUE IN

34 <Tr01 >EXCESS OF \$20,000.

35 <Tr01 >COMPLETE AND ATTACH

36 <Tr01 >SCHEDULE - A.

37 <Tc02 >\_\_\_\_\_ SMALL ESTATE -

38 <Tc02 >PETITION FOR ADMINISTRATION,  
39 <Tc02 >ESTATE VALUE OF \$20,000  
40 <Tc02 >OR LESS. COMPLETE AND  
41 <Tc02 >ATTACH SCHEDULE - B.  
42 <Tc03 >\_\_\_\_\_ WILL OF NO  
43 <Tc03 >ESTATE -  
44 <Tc03 >COMPLETE ITEMS  
45 <Tc03 >2 AND 5  
46 END-TABLE

47 THE PETITION OF:

5

1 \_\_\_\_\_  
2 NAME ADDRESS

3 InDnT\_\_\_\_\_

4 \_\_\_\_\_  
5 NAME ADDRESS

6 InDnT\_\_\_\_\_

7 \_\_\_\_\_  
8 NAME ADDRESS

9 InDnT\_\_\_\_\_

10 EACH OF US STATES:

11 1. I AM (A) AT LEAST 18 YEARS OF AGE AND EITHER A CITIZEN OF THE UNITED  
12 STATES OR A PERMANENT RESIDENT ALIEN SPOUSE OF THE DECEDENT OR (B) A  
13 TRUST COMPANY OR ANY OTHER CORPORATION AUTHORIZED BY LAW TO ACT  
14 AS A PERSONAL REPRESENTATIVE.

15 2. THE DECEDENT, \_\_\_\_\_, WAS DOMICILED  
16 IN \_\_\_\_\_ COUNTY, STATE OF \_\_\_\_\_ AND  
17 DIED ON THE \_\_\_\_\_ DAY OF  
\_\_\_\_\_ 19\_\_\_\_\_,  
18 AT \_\_\_\_\_.

19 3. IF THE DECEDENT WAS NOT DOMICILED IN THIS COUNTY AT THE TIME OF  
20 DEATH, THIS IS THE PROPER OFFICE IN WHICH TO FILE THIS PETITION BECAUSE:  
21 \_\_\_\_\_.

22 4. I AM ENTITLED TO PRIORITY OF APPOINTMENT AS PERSONAL REPRESENTATIVE  
23 OF THE DECEDENT'S ESTATE PURSUANT TO § 5-104 OF THE ESTATES AND TRUSTS  
24 ARTICLE, ANNOTATED CODE OF MARYLAND BECAUSE:

25 \_\_\_\_\_  
26 \_\_\_\_\_

27 AND I AM NOT EXCLUDED BY § 5-105(B) OF THE ESTATES AND TRUSTS ARTICLE,  
28 ANNOTATED CODE OF MARYLAND FROM SERVING AS PERSONAL  
29 REPRESENTATIVE.

30 5. I HAVE MADE A DILIGENT SEARCH FOR THE DECEDENT'S WILL AND TO THE BEST  
31 OF MY KNOWLEDGE:

32 \_\_\_\_\_ NONE EXISTS; OR

33 \_\_\_\_\_ THE WILL DATED \_\_\_\_\_ (INCLUDING CODICILS, IF  
34 ANY, DATED \_\_\_\_\_) ACCOMPANYING THIS PETITION IS THE LAST

35 WILL AND IT CAME INTO MY HANDS IN THE FOLLOWING MANNER:

36 \_\_\_\_\_

37 \_\_\_\_\_

38 AND THE NAMES AND LAST KNOWN ADDRESSES OF THE WITNESSES ARE:

39 \_\_\_\_\_

40 \_\_\_\_\_

6

1 \_\_\_\_\_

2 6. OTHER PROCEEDINGS, IF ANY, REGARDING THE DECEDENT OR THE ESTATE ARE  
3 AS FOLLOWS:

4 \_\_\_\_\_

5 \_\_\_\_\_

6 7. IF ANY INFORMATION REQUIRED BY PARAGRAPHS 2 THROUGH 6 HAS NOT BEEN  
7 FURNISHED, THE REASON IS:

8 \_\_\_\_\_

9 \_\_\_\_\_

10 8. IF APPOINTED, I ACCEPT THE DUTIES OF THE OFFICE OF PERSONAL  
11 REPRESENTATIVE AND CONSENT TO PERSONAL JURISDICTION IN ANY ACTION  
12 BROUGHT IN THIS STATE AGAINST ME AS PERSONAL REPRESENTATIVE OR  
13 ARISING OUT OF THE DUTIES OF THE OFFICE OF PERSONAL REPRESENTATIVE.

14 WHEREFORE, I REQUEST APPOINTMENT AS PERSONAL REPRESENTATIVE OF  
15 THE DECEDENT'S ESTATE AND THE FOLLOWING RELIEF AS INDICATED:

16 \_\_\_\_\_ THAT THE WILL AND CODICILS, IF ANY, BE ADMITTED TO ADMINISTRATIVE  
17 PROBATE;

18 \_\_\_\_\_ THAT THE WILL AND CODICILS, IF ANY, BE ADMITTED TO JUDICIAL PROBATE;

19 \_\_\_\_\_ THAT THE WILL AND CODICILS, IF ANY, BE FILED ONLY;

20 \_\_\_\_\_ THAT THE FOLLOWING ADDITIONAL RELIEF BE GRANTED:

\_\_\_\_\_

21 \_\_\_\_\_

22 \_\_\_\_\_

23 I SOLEMNLY AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE  
24 CONTENTS OF THE FOREGOING PETITION ARE TRUE TO THE BEST OF MY  
25 KNOWLEDGE, INFORMATION, AND BELIEF.

26 \_\_\_\_\_

27 ATTORNEY'S SIGNATURE PETITIONER DATE

28 \_\_\_\_\_

29 ADDRESS PETITIONER DATE

30 \_\_\_\_\_

31 InDnT PETITIONER DATE

32 \_\_\_\_\_

33 TELEPHONE NUMBER TELEPHONE NUMBER



34 IN THE ORPHANS' COURT FOR

35 (OR) \_\_\_\_\_, MARYLAND

36 BEFORE THE REGISTER OF WILLS FOR

37 IN THE ESTATE OF:

38 \_\_\_\_\_ ESTATE NO. \_\_\_\_\_

7

1 SCHEDULE - A

2 REGULAR ESTATE

3 ESTIMATED VALUE OF ESTATE AND UNSECURED DEBTS:

4 PERSONAL PROPERTY (APPROXIMATE VALUE)..... \$ \_\_\_\_\_

5 REAL PROPERTY (APPROXIMATE VALUE)..... \$ \_\_\_\_\_

6 VALUE OF PROPERTY SUBJECT TO:

7 (A) DIRECT INHERITANCE TAX OF \_\_\_\_%..... \$ \_\_\_\_\_

8 (B) COLLATERAL INHERITANCE TAX OF \_\_\_\_%..... \$ \_\_\_\_\_

9 (C) COLLATERAL INHERITANCE TAX OF \_\_\_\_%..... \$ \_\_\_\_\_

10 UNSECURED DEBTS (APPROXIMATE AMOUNT)..... \$ \_\_\_\_\_

11 -----

12 (FOR REGISTER'S USE)

13 SAFEKEEPING WILLS \_\_\_\_ CUSTODY OF WILLS \_\_\_\_

14 BOND SET \$ \_\_\_\_ DEPUTY \_\_\_\_

15 IN THE ORPHANS' COURT FOR

16 (OR) \_\_\_\_\_, MARYLAND

17 BEFORE THE REGISTER OF WILLS FOR

18 IN THE ESTATE OF:

19 \_\_\_\_\_ ESTATE NO. \_\_\_\_\_

20 SCHEDULE - B

21 SMALL ESTATE

22 ASSETS AND DEBTS OF THE DECEDENT:

23 1. I HAVE MADE A DILIGENT SEARCH TO DISCOVER ALL PROPERTY AND DEBTS OF  
24 THE DECEDENT AND SET FORTH BELOW ARE:

25 (A) A LISTING OF ALL REAL AND PERSONAL PROPERTY OWNED BY  
26 THE DECEDENT, INDIVIDUALLY OR AS TENANT IN COMMON,  
27 AND OF ANY OTHER PROPERTY TO WHICH THE DECEDENT OR  
28 ESTATE WOULD BE ENTITLED, INCLUDING DESCRIPTIONS,  
29 VALUES, AND HOW THE VALUES WERE DETERMINED:

30 \_\_\_\_\_

31 \_\_\_\_\_

32

---

33 (B) A LISTING OF ALL CREDITORS AND CLAIMANTS AND THE  
34 AMOUNTS CLAIMED, INCLUDING SECURED\*, CONTINGENT AND  
35 DISPUTED CLAIMS:

8

1 \_\_\_\_\_

2 \_\_\_\_\_

3 \_\_\_\_\_

4 2. ALLOWABLE FUNERAL EXPENSES ARE \$ \_\_\_\_\_; STATUTORY  
5 FAMILY ALLOWANCES ARE \$ \_\_\_\_\_; AND EXPENSES OF  
6 ADMINISTRATION ARE \$ \_\_\_\_\_.

7 3. ATTACHED IS A LIST OF INTERESTED PERSONS.

8 \*NOTE: § 5-601(C) OF THE ESTATES AND TRUSTS ARTICLE, ANNOTATED CODE OF  
9 MARYLAND "FOR THE PURPOSE OF THIS SUBTITLE - VALUE IS DETERMINED BY  
10 FAIR MARKET VALUE OF PROPERTY LESS DEBTS OF RECORD SECURED BY THE  
11 PROPERTY AS OF THE DATE OF DEATH, TO THE EXTENT THAT INSURANCE BENEFITS  
12 ARE NOT PAYABLE TO THE LIEN HOLDER OR SECURED PARTY FOR THE SECURED  
13 DEBT."

14 I SOLEMNLY AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE  
15 CONTENTS OF THE FOREGOING INFORMATION ARE TRUE TO THE BEST OF MY  
16 KNOWLEDGE, INFORMATION, AND BELIEF.

17 \_\_\_\_\_  
18 ATTORNEY'S SIGNATURE PETITIONER DATE

19 \_\_\_\_\_  
20 ADDRESS PETITIONER DATE

21 \_\_\_\_\_  
22 TELEPHONE NUMBER TELEPHONE NUMBER

23 5-601.

24 (a) If the property of the decedent subject to administration in Maryland is  
25 established to have a [gross] value of \$20,000 or less as of the date of the death of the  
26 decedent, the estate may be administered in accordance with the provisions of §§ 5-602  
27 through 5-607 OF THIS SUBTITLE.

28 (b) If, before the filing of an initial account in administration proceedings  
29 instituted under Subtitle 3 or Subtitle 4 of this title, the property of the decedent subject  
30 to administration in Maryland is established to have a [gross] value of \$20,000 or less as  
31 of the date of the death of the decedent, the estate thereafter may be administered in  
32 accordance with the provisions of §§ 5-602 through 5-607 OF THIS SUBTITLE.

33 (C) FOR THE PURPOSE OF THIS SUBTITLE, VALUE IS DETERMINED BY THE  
34 FAIR MARKET VALUE OF PROPERTY LESS DEBTS OF RECORD SECURED BY THE  
35 PROPERTY, AS OF THE DATE OF DEATH, TO THE EXTENT THAT INSURANCE  
36 BENEFITS ARE NOT PAYABLE TO THE LIEN HOLDER OR SECURED PARTY FOR THE  
37 SECURED DEBT.

38 [5-608.

39 (a) (1) If the only property of an estate of a decedent is not more than two  
40 motor vehicles, the Motor Vehicle Administration may transfer the title to the motor

HOUSE BILL 762

41 vehicles to the person entitled to them if he is satisfied that all debts and taxes owed by

9

1 the decedent have been paid. Administration of the estate of the decedent is not  
2 necessary in this case.

3 (2) If the interest of an owner in a vehicle for which a certificate of title has  
4 been issued passes to a legatee or distributee as a result of testamentary disposition or  
5 intestate devolution, no application for a new certificate of title need be made until the  
6 expiration of the current annual registration in the name of the deceased owner, and the  
7 certificate of title need not be submitted to the department until the application for a new  
8 certificate of title is made. A certificate of letters testamentary or of administration issued  
9 by a court of competent jurisdiction is sufficient authority for the Motor Vehicle  
10 Administration to transfer the title of the vehicle of a deceased owner if title is properly  
11 assigned by the personal representative of the deceased owner.

12 (b) (1) If the only property of a decedent is a boat or vessel, the appraised value  
13 of which does not exceed \$5,000, the United States Coast Guard or the State Department  
14 of Natural Resources may transfer the certificate of registration for the boat or vessel to  
15 the person entitled to it if the agency is satisfied that all debts and taxes owed by the  
16 decedent have been paid.

17 (2) A verified statement signed by two persons to the effect that they have  
18 personal knowledge of the value of boats of the type of the particular boat involved and  
19 that the value of the boat does not exceed \$5,000 is sufficient evidence of the value of the  
20 boat to warrant the transfer of the registration certificate.]

21 7-202.

22 (a) The value of each item listed in the inventory shall be fairly appraised as of  
23 the date of death and stated in the inventory. The personal representative may appraise  
24 the corporate stocks listed on a national or regional exchange or over the counter  
25 securities and items in categories (4) and (5) of § 7-201 OF THIS SUBTITLE. He shall  
26 secure an independent appraisal of the items in all of the other categories. He may select  
27 one of the methods specified in this section.

28 (b) The personal representative may apply for appraisal by appraisers designated  
29 by the register under §§ 2-301(a) or 2-302 OF TITLE 2 OF THIS ARTICLE.

30 (C) INSTEAD OF AN APPRAISAL OF THE FAIR MARKET VALUE, REAL AND  
31 LEASEHOLD PROPERTY MAY BE VALUED AT THE MOST RECENT NEW MARKET  
32 VALUE AS DETERMINED BY THE DEPARTMENT OF ASSESSMENTS AND TAXATION'S  
33 ASSESSMENT NOTICE FOR THE PROPERTY.

34 [(c)] (D) The personal representative may employ a qualified and disinterested  
35 appraiser to assist him in ascertaining the fair market value, as of the date of the death of  
36 the decedent, of an asset the value of which may be fairly debatable. Different persons  
37 may be employed to appraise different kinds of assets included in the estate. The name  
38 and address of each appraiser shall be indicated on the inventory with the item or items  
39 he appraised.

40 [(d)] (E) Reasonable appraisal fees shall be allowed as an administration expense.

10

1 7-604.

2 (A) PAYMENT OF COMMISSIONS TO PERSONAL REPRESENTATIVES UNDER §  
3 7-601 OF THIS SUBTITLE, AND ATTORNEY'S FEES UNDER § 7-602 OF THIS SUBTITLE  
4 MAY BE MADE WITHOUT COURT APPROVAL IF:

5 (1) EACH CREDITOR, WHO HAS FILED A CLAIM THAT IS STILL OPEN,  
6 AND ALL INTERESTED PERSONS CONSENT IN WRITING TO THE PAYMENT;

7 (2) THE COMBINED SUM OF THE PAYMENTS OF COMMISSIONS AND  
8 ATTORNEY'S FEES DOES NOT EXCEED THE AMOUNTS PROVIDED IN § 7-601 OF THIS  
9 SUBTITLE; AND

10 (3) THE SIGNED WRITTEN CONSENT FORM STATES THE AMOUNTS OF  
11 THE PAYMENTS AND IS FILED WITH THE REGISTER OF WILLS.

12 (B) WHEN RENDERING ACCOUNTS, THE PERSONAL REPRESENTATIVE SHALL  
13 DESIGNATE ANY PAYMENT MADE UNDER THIS SECTION AS AN EXPENSE.

14 8-106.

15 (a) Subject to the priorities contained in § 8-105 OF THIS SUBTITLE, the personal  
16 representative shall pay the funeral expenses of the decedent within six months of the  
17 first appointment of a personal representative.

18 (b) Funeral expenses shall be allowed in the discretion of the court according to  
19 the condition and circumstances of the decedent. In no event may the allowance exceed  
20 [\$3,500] \$5,000 unless the estate of the decedent is solvent and a special order of court  
21 has been obtained. If the estate is solvent and the will expressly empowers the personal  
22 representative to pay the expenses without an order of court, an allowance by the court is  
23 not required.

24 (c) If the funeral expenses are not paid within six months, the creditor may  
25 petition the court to require the personal representative to show cause why he should not  
26 be compelled to make the payment. If the court finds that the claim is valid, it shall fix the  
27 amount due and shall order the personal representative to make payment within ten days  
28 after the order is served upon him. If the personal representative does not have sufficient  
29 funds, the claimant may at a later date resubmit his petition when the personal  
30 representative has sufficient funds.

31 **Article - Tax - General**

32 7-203.

33 (g) The inheritance tax does not apply to the receipt of property that passes from  
34 a decedent to any 1 person if the total value of the property does not exceed [\$150]  
35 \$1,000.

36 (K) THE INHERITANCE TAX DOES NOT APPLY TO THE RECEIPT OF PROPERTY  
37 THAT IS INCOME ACCRUED ON PROBATE ASSETS AFTER THE DATE OF DEATH OF  
38 THE DECEDENT.

11

1 7-204.

2 (a) In this section, "clear value" means fair market value minus expenses.

3 (b) Except as provided in [subsection] SUBSECTIONS (c) AND (D) of this section,  
4 the inheritance tax rate is 10% of the clear value of the property that passes from a  
5 decedent.

6 (c) The inheritance tax rate is 1% of the clear value of:

7 (1) the property that passes from a decedent to or for the use of:

8 (i) a grandparent of the decedent;

9 (ii) a parent of the decedent;

10 (iii) a spouse of the decedent;

11 (iv) a child or other lineal descendant of the decedent;

12 (v) a stepparent or stepchild of the decedent; or

13 (vi) a corporation if all of its stockholders consist of the surviving  
14 spouse, parents, stepparents, stepchildren, lineal descendants of the decedent, and  
15 spouses of the lineal descendants; and

16 (2) the first \$2,000 that passes from the decedent, by survivorship, to a  
17 spouse of a lineal descendant of the decedent from savings accounts that the decedent  
18 and spouse of the lineal descendant held jointly.

19 (D) THE INHERITANCE TAX RATE IS 8% OF THE CLEAR VALUE OF THE  
20 PROPERTY THAT PASSES FROM A DECEDENT TO THE DECEDENT'S SIBLINGS.

21 [(d)] (E) If a decedent died on or before May 31, 1975, the rate of the inheritance  
22 tax is the rate in effect on the date of the decedent's death.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
24 January 1, 1998, and shall apply to the estates of persons who die on or after January 1,  
25 1998.