

HOUSE BILL 13

Unofficial Copy
Q7

2000 Regular Session
(01r0479)

ENROLLED BILL

-- *Ways and Means/Budget and Taxation* --

Introduced by **Delegates Taylor, Patterson, Finifter, Mandel, Cryor, Dewberry, Busch, Guns, Harrison, Howard, Menes, Montague, Rawlings, Owings, Rosenberg, Vallario, and Wood Wood, W. Baker, Barkley, Bartlett, Bohanan, Bozman, Bronrott, Cadden, Cane, Clagett, Cole, Conroy, Conway, D'Amato, DeCarlo, Donoghue, Doory, Dypski, Flanagan, Frush, Giannetti, Goldwater, Hammen, Healey, Hecht, Heller, Hubers, James, V. Jones, K. Kelly, Klausmeier, Krysiak, Love, Malone, McHale, Minnick, Mitchell, Moe, Mohorovic, Morhaim, Pendergrass, Petzold, Pitkin, Proctor, Riley, Rosso, Rudolph, Rzepkowski, Sophocleus, Stern, Turner, Valderrama, Weir, Zirkin, Carlson, C. Davis, Marriott, McKee, and Shriver**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Inheritance Tax - Repeal *Exemption for Direct Beneficiaries Lineal***
3 ***Beneficiaries and Siblings***

4 FOR the purpose of exempting from the inheritance tax certain property that passes
5 from a decedent to or for the use of certain relatives of a decedent or to or for the
6 use of a corporation owned by certain relatives of a decedent; ~~repealing the~~
7 ~~inheritance tax for decedents dying on or after a certain date; altering certain~~

1 ~~probate fees charged by the registers of wills; altering the calculation of the~~
 2 ~~Maryland estate tax; providing for the administration of estates and certain~~
 3 ~~taxes with respect to decedents dying before certain dates; altering certain bond~~
 4 ~~requirements to be executed by a personal representative of a decedent's estate;~~
 5 ~~altering certain provisions regarding funding of the registers of wills offices;~~
 6 ~~requiring the Department of Budget and Management, the Comptroller of the~~
 7 ~~Treasury, and the Chief Judge of the Court of Appeals in cooperation with~~
 8 ~~representatives of the registers of wills, to conduct a certain study and report to~~
 9 ~~the General Assembly on or before a certain date; providing for the effective~~
 10 ~~dates and application of this Act; and generally relating to the repeal of the~~
 11 ~~inheritance tax *an exemption from the inheritance tax for certain property that*~~
 12 ~~*passes from a decedent to or for the use of certain relatives of a decedent or to or*~~
 13 ~~*for the use of a corporation owned by certain relatives of a decedent.*~~

14 BY repealing and reenacting, with amendments,
 15 Article - Tax - General
 16 Section 7-203(b) and 7-204
 17 Annotated Code of Maryland
 18 (1997 Replacement Volume and 1999 Supplement)

19 BY repealing
 20 Article - Tax - General
 21 Section 7-203(j)
 22 Annotated Code of Maryland
 23 (1997 Replacement Volume and 1999 Supplement)

24 BY repealing
 25 Article - Estates and Trusts
 26 Section 2-206(n), 2-207, 5-505, and 7-307
 27 Annotated Code of Maryland
 28 (1991 Replacement Volume and 1999 Supplement)

29 BY repealing
 30 Article - Tax - General
 31 Section 1-101(j); 2-701 and 2-702 and the subtitle "Subtitle 7. Inheritance Tax
 32 Revenue Distribution"; 7-201, 7-202, 7-205 through 7-225, inclusive,
 33 7-231(a) through (d), inclusive, 7-232 through 7-234, inclusive, and the
 34 subtitle "Subtitle 2. Inheritance Tax"; 13-511; 13-845 and the part "Part
 35 VII. Sale of Estate Property"; and 13-906
 36 Annotated Code of Maryland
 37 (1997 Replacement Volume and 1999 Supplement)

38 BY repealing
 39 Article - Tax - General
 40 Section 7-203 and 7-204

1 Annotated Code of Maryland
 2 (1997 Replacement Volume and 1999 Supplement)
 3 (As enacted by Section 1 of this Act)

4 ~~BY repealing and reenacting, with amendments,~~
 5 ~~Article Business Regulation~~
 6 ~~Section 5-503(b) and (c)~~
 7 ~~Annotated Code of Maryland~~
 8 ~~(1998 Replacement Volume and 1999 Supplement)~~

9 ~~BY repealing and reenacting, with amendments,~~
 10 ~~Article Estates and Trusts~~
 11 ~~Section 2-205, 2-206(b), 2-207, 5-206, 5-504, 5-707, 5-709, 6-102(b) and~~
 12 ~~(h)(2), 12-103, 14-201(2), and 15-309~~
 13 ~~Annotated Code of Maryland~~
 14 ~~(1991 Replacement Volume and 1999 Supplement)~~

15 ~~BY repealing and reenacting, with amendments,~~
 16 ~~Article Tax General~~
 17 ~~Section 7-104, 7-118, 7-304, 7-305, 7-306, 13-101(e)(2), 13-302(b), 13-510(a),~~
 18 ~~13-601, 13-603, 13-701, 13-805, 13-806, 13-901(d), and 13-1104(d)~~
 19 ~~Annotated Code of Maryland~~
 20 ~~(1997 Replacement Volume and 1999 Supplement)~~

21 ~~BY repealing and reenacting, with amendments, and transferring~~
 22 ~~Article Tax General~~
 23 ~~Section 7-228 and 7-231(e)~~
 24 ~~Annotated Code of Maryland~~
 25 ~~(1997 Replacement Volume and 1999 Supplement)~~

26 ~~to be~~
 27 ~~Article Estates and Trusts~~
 28 ~~Section 2-213~~
 29 ~~Annotated Code of Maryland~~
 30 ~~(1991 Replacement Volume and 1999 Supplement)~~

31 BY renumbering
 32 Article - Tax - General
 33 Section 7-203(k) and (l), respectively
 34 to be Section 7-203(j) and (k), respectively
 35 Annotated Code of Maryland
 36 (1997 Replacement Volume and 1999 Supplement)

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

3 Article - Tax - General

4 7-203.

5 (b) The inheritance tax does not apply to the receipt of [the family allowance
6 that a surviving spouse and minor children of a decedent are allowed under § 3-201 of
7 the Estates and Trusts Article] PROPERTY THAT PASSES FROM A DECEDENT TO OR
8 FOR THE USE OF:

9 (1) A GRANDPARENT OF THE DECEDENT;

10 (2) A PARENT OF THE DECEDENT;

11 (3) A SPOUSE OF THE DECEDENT;

12 (4) A CHILD OR OTHER LINEAL DESCENDANT OF THE DECEDENT;

13 (5) A SPOUSE OF A CHILD OR OTHER LINEAL DESCENDANT OF THE
14 DECEDENT;

15 (6) A STEPPARENT OR STEPCHILD OF THE DECEDENT;

16 (7) A BROTHER OR SISTER OF THE DECEDENT; OR

17 ~~(7)~~ (8) A CORPORATION IF ALL OF ITS STOCKHOLDERS CONSIST OF
18 THE SURVIVING SPOUSE, PARENTS, STEPPARENTS, STEPCHILDREN, BROTHERS,
19 SISTERS, AND LINEAL DESCENDANTS OF THE DECEDENT AND SPOUSES OF THE
20 LINEAL DESCENDANTS.

21 [(j) The inheritance tax does not apply to the receipt of property that passes
22 from a decedent to or for the use of the surviving spouse of the decedent and is:

23 (1) an interest in property that is held in the name of the decedent and
24 the surviving spouse and passes by right of survivorship;

25 (2) real property, including leasehold property; or

26 (3) the first \$100,000 of property other than:

27 (i) real property, including leasehold property; or

28 (ii) an interest in property that passes by right of survivorship.]

29 7-204.

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

1 ~~(b) Except as provided in [subsections (c) and (e)] SUBSECTION (D) of this~~
 2 ~~section, the THE inheritance tax rate is 10% of the clear value of the property that~~
 3 ~~passes from a decedent.~~

4 ~~[(c) The inheritance tax rate is 0.9% of the clear value of:~~

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

6 ~~(i) a grandparent of the decedent;~~

7 ~~(ii) a parent of the decedent;~~

8 ~~(iii) a spouse of the decedent;~~

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

10 ~~(v) a stepparent or stepchild of the decedent; or~~

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

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

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

19 ~~[(e)] (D) The inheritance tax rate for property that passes from a decedent to~~
 20 ~~or for the use of a brother or sister of the decedent is:~~

21 ~~(1) 8% of the clear value of the property for decedents dying on or after~~
 22 ~~July 1, 1999 but before July 1, 2000;~~

23 ~~(2) 6% of the clear value of the property for decedents dying on or after~~
 24 ~~July 1, 2000 but before July 1, 2001; and~~

25 ~~(3) 5% of the clear value of the property for decedents dying on or after~~
 26 ~~July 1, 2001.~~

27 ~~SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 2-206(n),~~
 28 ~~2-207, 5-505, and 7-307 of Article – Estates and Trusts of the Annotated Code of~~
 29 ~~Maryland be repealed.~~

30 ~~SECTION 2. 3. AND BE IT FURTHER ENACTED, That Section(s) 1-101(j);~~
 31 ~~2-701 and 2-702 and the subtitle "Subtitle 7. Inheritance Tax Revenue Distribution";~~
 32 ~~7-201 through 7-225, inclusive, 7-231(a) through (d), inclusive, 7-232 through~~
 33 ~~7-234, inclusive, and the subtitle "Subtitle 2. Inheritance Tax"; 13-511; 13-845 and~~
 34 ~~the part "Part VII. Sale of Estate Property"; and 13-906 of Article – Tax – General of~~
 35 ~~the Annotated Code of Maryland be repealed.~~

1 SECTION 3.4. ~~4~~ AND BE IT FURTHER ENACTED, That the Laws of Maryland
2 read as follows:

3 **Article ~~Business Regulation~~**

4 ~~5-503.~~

5 (b) ~~The interest of an owner of a burial lot or crypt that is held for the burial~~
6 ~~of the owner or others and not held as an investment is not:~~

- 7 (1) ~~considered property;~~
- 8 (2) ~~subject to attachment or execution for debt;~~
- 9 (3) ~~subject to the insolvency laws of the State; OR~~
- 10 (4) ~~to be inventoried in the estate of the owner[; or~~
- 11 (5) ~~subject to inheritance taxes].~~

12 (c) ~~The interest of an owner of a burial lot or crypt that is held as an~~
13 ~~investment and not held for the burial of the owner or others is:~~

- 14 (1) ~~considered personal property;~~
- 15 (2) ~~subject to attachment or execution for debt;~~
- 16 (3) ~~subject to the insolvency laws of the State; AND~~
- 17 (4) ~~to be inventoried in the estate of the owner[; and~~
- 18 (5) ~~subject to inheritance taxes].~~

19 **Article ~~Estates and Trusts~~**

20 ~~2-205.~~

21 (a) (1) ~~It is the intent of this section that each register shall receive a fair~~
22 ~~and adequate compensation for the effort and duties required of the register by the~~
23 ~~register's office.~~

24 (2) ~~The volume and character of work done by the register shall be in~~
25 ~~comparison to the salary fixed by the Board of Public Works for each of the other~~
26 ~~registers.~~

27 (b) (1) ~~Each register is entitled to receive an annual salary of not less than~~
28 ~~\$6,000 and not more than \$75,000, to be determined in each instance by the Board of~~
29 ~~Public Works.~~

30 (2) ~~In determining the annual salary of the register, the Board of Public~~
31 ~~Works shall be guided in the exercise of its discretion by:~~

1 (i) The population of the county determined by the last official
2 United States census;

3 (ii) The dollar volume of total fees [and taxes] collected [and
4 excess fees turned over to the State] for each of the preceding 5 years by the office of
5 the register for which the salary is being fixed; and

6 (iii) Other pertinent data which have relation to the reasonableness
7 of the salary in relation to the work done and volume handled by the office.

8 (e) The minimum annual salary for the register in Baltimore City is \$12,000.

9 [(d) (1) The salaries of the registers shall be paid semimonthly from the fees
10 and receipts of the office, after deducting the expenses of the office.

11 (2) Expenses include salaries of deputies and clerks, books, stationery,
12 office supplies, and other necessary and customary expenses of doing business.

13 (e) (1) If the fees and receipts of the office are insufficient in any fiscal year
14 to pay all or a part of the expenses of the office and authorized salary of a register, the
15 deficiency shall be funded from the taxes remitted to the comptroller of the treasury
16 by the register during that fiscal year. Written authority for the transfer of funds
17 shall be first obtained from the State Comptroller.

18 (2) In the event that tax collections for the fiscal year are insufficient,
19 the Comptroller shall make up the deficit from:

20 (I) ~~FROM excess fees remitted from all other registers UNDER §~~
21 ~~2-207(B) OF THIS SUBTITLE; AND~~

22 (II) ~~IF THE EXCESS FEES REMITTED FROM ALL OTHER REGISTERS~~
23 ~~ARE INSUFFICIENT TO MAKE UP THE DEFICIT, FROM FUNDS PROVIDED IN THE~~
24 ~~STATE BUDGET FOR THIS PURPOSE.]~~

25 (D) (1) ~~THE SALARIES OF THE REGISTERS OF WILLS AND THE COSTS AND~~
26 ~~EXPENSES OF THE OFFICES OF THE REGISTERS OF WILLS SHALL BE FUNDED~~
27 ~~THROUGH THE STATE BUDGET.~~

28 (2) ~~THE REGISTERS OF WILLS SHALL DEPOSIT THE FEES COLLECTED~~
29 ~~UNDER § 2-206 OF THIS SUBTITLE TO THE GENERAL FUND OF THE STATE.~~

30 (3) ~~FOR EACH FISCAL YEAR, EACH REGISTER OF WILLS SHALL SUBMIT A~~
31 ~~BUDGET FOR THE REVIEW AND APPROVAL OF THE GENERAL ASSEMBLY.~~

32 (4) ~~EACH BUDGET SUBMITTED UNDER THIS SUBSECTION SHALL BE~~
33 ~~SUBMITTED TO THE COMPTROLLER IN A UNIFORM FORMAT AS PRESCRIBED BY THE~~
34 ~~SECRETARY OF BUDGET AND MANAGEMENT.~~

35 (5) ~~EXPENDITURES FOR THE REGISTERS OF WILLS OFFICES MAY ONLY~~
36 ~~BE MADE IN ACCORDANCE WITH:~~

1 (I) AN APPROPRIATION IN THE ANNUAL STATE BUDGET APPROVED
 2 BY THE GENERAL ASSEMBLY; OR

3 (II) THE BUDGET AMENDMENT PROCEDURE UNDER § 7-209 OF THE
 4 STATE FINANCE AND PROCUREMENT ARTICLE.

5 ~~2-206.~~

6 (b) (1) ~~For taking probate of wills and furnishing 2 certified copies of the~~
 7 ~~will and codicils, granting letters of administration and furnishing 12 certificates of~~
 8 ~~letters, issuing warrants to appraise, entering on estate docket, filing elections of~~
 9 ~~surviving spouses to take intestate shares, filing renunciations and disclaimers, filing~~
 10 ~~and recording wills, bonds, inventories, accounts of sale, releases, administration~~
 11 ~~accounts, petitions and orders, and other papers filed in the administration of~~
 12 ~~decedents' estates not otherwise specified in subsections (c) through (l) of this section,~~
 13 ~~the probate fees under paragraph (2) of this subsection.~~

14 (2) ~~[Probate] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS~~
 15 ~~SUBSECTION, PROBATE fees shall be assessed on the value of the probate estate at the~~
 16 ~~following rates:~~

	<u>If the Value</u>		
	<u>of the</u>		
	<u>Probate</u>		
	<u>Estate Is</u>	<u>But Less</u>	<u>The Fee</u>
	<u>At Least</u>	<u>Than</u>	<u>Is</u>
22 (i)	<u>—</u>	<u>\$ 10,000</u>	<u>\$ 50</u>
23 (ii)	<u>\$ 10,000</u>	<u>\$ 20,000</u>	<u>\$ 100</u>
24 (iii)	<u>\$ 20,000</u>	<u>\$ 50,000</u>	<u>1 \$ 150</u>
25			<u>\$ 200</u>
26 (iv)	<u>\$ 50,000</u>	<u>\$ 75,000</u>	<u>1 \$ 200</u>
27			<u>\$ 350</u>
28 (v)	<u>\$ 75,000</u>	<u>\$ 100,000</u>	<u>1 \$ 300</u>
29			<u>\$ 475</u>
30 (vi)	<u>\$ 100,000</u>	<u>\$ 250,000</u>	<u>\$ 400</u>
31 (vii)	<u>\$ 250,000</u>	<u>\$ 500,000</u>	<u>\$ 500</u>
32 (viii)	<u>\$ 500,000</u>	<u>\$ 750,000</u>	<u>\$ 750</u>
33 (ix)	<u>\$ 750,000</u>	<u>\$1,000,000</u>	<u>\$1,000</u>
34 (x)	<u>\$1,000,000</u>	<u>\$2,000,000</u>	<u>\$1,500</u>
35 (xi)	<u>\$2,000,000</u>	<u>\$5,000,000</u>	<u>\$2,500</u>
36 (xii)	<u>\$5,000,000</u>	<u>--</u>	<u>\$2,500 plus</u>
37			<u>.02% of</u>
38			<u>excess over</u>
39			<u>\$5,000,000</u>
40 (VI)	<u>\$ 100,000</u>	<u>\$ 150,000</u>	<u>\$ 650</u>
41 (VII)	<u>\$ 150,000</u>	<u>\$ 200,000</u>	<u>\$ 900</u>
42 (VIII)	<u>\$ 200,000</u>	<u>\$ 300,000</u>	<u>\$1,250</u>
43 (IX)	<u>\$ 300,000</u>	<u>\$ 400,000</u>	<u>\$ 1,750</u>
44 (X)	<u>\$ 400,000</u>	<u>\$ 500,000</u>	<u>\$ 2,250</u>
45 (XI)	<u>\$ 500,000</u>	<u>\$ 600,000</u>	<u>\$ 2,750</u>

1	(XII)	\$ 600,000	\$ 700,000	\$ 3,000
2	(XIII)	\$ 700,000	\$ 800,000	\$ 3,500
3	(XIV)	\$ 800,000	\$ 900,000	\$ 4,000
4	(XV)	\$ 900,000	\$ 1,000,000	\$ 4,500
5	(XVI)	\$ 1,000,000	\$ 1,250,000	\$ 5,000
6	(XVII)	\$ 1,250,000	\$ 1,500,000	\$ 5,500
7	(XVIII)	\$ 1,500,000	\$ 2,000,000	\$ 6,000
8	(XIX)	\$ 2,000,000	\$ 3,000,000	\$ 7,000
9	(XX)	\$ 3,000,000	\$ 5,000,000	\$ 8,000
10	(XXI)	\$ 5,000,000	\$ 7,000,000	\$ 9,000
11	(XXII)	\$ 7,000,000	\$ 10,000,000	\$ 10,000
12	(XXIII)	\$ 10,000,000	—	\$ 10,000
13			PLUS .02%	
14			OF EXCESS	
15			OVER	
16			\$10,000,000	

17 ~~(3) PROBATE FEES UNDER PARAGRAPH (2) OF THIS SUBSECTION MAY~~
 18 ~~NOT BE ASSESSED ON THE VALUE OF THE PROBATE ESTATE THAT PASSES TO OR FOR~~
 19 ~~THE BENEFIT OF:~~

20 ~~(I) THE SURVIVING SPOUSE OF THE DECEDENT; OR~~

21 ~~(II) AN ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER §~~
 22 ~~501(C)(3) OF THE INTERNAL REVENUE CODE OR TO WHICH TRANSFERS ARE~~
 23 ~~DEDUCTIBLE UNDER § 2055 OF THE INTERNAL REVENUE CODE.~~

24 ~~[(3)] (4) Except as provided in paragraph [(4)] (5) of this subsection, for~~
 25 ~~purposes of determinations under paragraph (2) of this subsection, the value of a~~
 26 ~~probate estate is the amount, as reflected in the administration accounts filed in the~~
 27 ~~proceedings, that equals:~~

28 ~~(i) The sum of:~~

29 ~~1. The value of all inventories filed in the proceedings;~~

30 ~~2. All principal and income receipts; and~~

31 ~~3. All increases realized on a disposition, other than a~~
 32 ~~distribution to beneficiaries, of any probate asset; less~~

33 ~~(ii) THE SUM OF:~~

34 ~~1. All decreases realized on a disposition, other than a~~
 35 ~~distribution to beneficiaries, of any probate asset; AND~~

36 ~~2. THE VALUE OF ALL DISTRIBUTIONS TO OR FOR THE~~
 37 ~~BENEFIT OF:~~

38 ~~A. THE SURVIVING SPOUSE OF THE DECEDENT; OR~~

1 ~~B.~~ AN ORGANIZATION THAT IS EXEMPT FROM TAXATION
2 UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE OR TO WHICH TRANSFERS ARE
3 DEDUCTIBLE UNDER § 2055 OF THE INTERNAL REVENUE CODE.

4 ~~[(4)]~~ (5) If an estate proceeds through modified administration, for the
5 purpose of determining the appropriate fee under paragraph (2) of this subsection, the
6 value of an estate is the gross value of the probate assets reported on the final report
7 under modified administration LESS THE VALUE OF ALL DISTRIBUTIONS TO OR FOR
8 THE BENEFIT OF:

9 (I) THE SURVIVING SPOUSE OF THE DECEDENT; OR

10 (II) AN ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER §
11 501(C)(3) OF THE INTERNAL REVENUE CODE OR TO WHICH TRANSFERS ARE
12 DEDUCTIBLE UNDER § 2055 OF THE INTERNAL REVENUE CODE.

13 ~~[(5)]~~ (6) (i) Except as provided in subparagraphs (ii) and (iii) of this
14 paragraph, the register shall assess and collect the probate fee when the first
15 administration account is filed.

16 (ii) If there are any additions to the value of a probate estate, as
17 reflected in any subsequent administration account, the register shall:

18 1. Assess an additional fee in an amount equal to the excess
19 of:

20 A. The fee as determined under paragraph (2) of this
21 subsection based on the value of the probate estate as reflected in the currently filed
22 administration account; over

23 B. The fee as determined under paragraph (2) of this
24 subsection based on the value of the probate estate as reflected in the most recent
25 previously filed administration account; and

26 2. Collect the additional fee when the subsequent
27 administration account is filed.

28 (iii) If an estate proceeds through modified administration, the
29 register shall assess and collect the probate fee when the personal representative files
30 the final report under modified administration.

31 ~~2-207.~~

32 (a) (1) Every register shall return annually to the Comptroller a full and
33 accurate account of the fees and receipts of his office and of the expenses incident to
34 the proper conduct of his office.

35 (2) The account shall be verified and in the form and supported by the
36 proof prescribed by the Comptroller.

1 (b) ~~The excess of fees and receipts over expenses shall be delivered by the~~
2 ~~register to the Comptroller with each report.~~

3 (c) ~~[The] SUBJECT TO § 2-205(E) OF THIS SUBTITLE, THE Comptroller shall~~
4 ~~deposit the fees received under this section in the General Fund of the State.~~

5 ~~5-206.~~

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

8 In the Orphans' Court for

9 (or) _____, Maryland

10 Before the Register of Wills for

11 in the Estate of:

12 _____ Estate No. _____

13 For: Regular Estate- Small Estate- Will of No
14 Petition for probate; Petition for Administration; Estate-
15 estate value in excess of \$20,000. estate value of \$20,000 or less. Complete and attach Schedule A. Complete Items 2 and 5
16 excess of \$20,000. or less. Complete and attach Schedule B.
17 Complete and attach Schedule A. attach Schedule B.
18 Schedule A.

19 The Petition of:

20 _____

21 Name Address _____

22 _____

23 _____

24 Name Address _____

25 _____

26 _____

27 Name Address _____

28 _____

29 Each of us states:

30 ~~1. I am (a) at least 18 years of age and either a citizen of the United States or a~~

1 permanent resident alien spouse of the decedent or (b) a trust company or any
2 other corporation authorized by law to act as a personal representative.

3 2. The decedent, _____, was domiciled in _____ County, State
4 of _____ and died on the _____ day of _____ 19_____, at _____.

5 3. If the decedent was not domiciled in this county at the time of death, this is the
6 proper office in which to file this petition because:
7 _____.

8 4. I am entitled to priority of appointment as personal representative of the
9 decedent's estate pursuant to § 5-104 of the Estates and Trusts Article, Annotated
10 Code of Maryland because:

11 _____

12 and I am not excluded by § 5-105(b) of the Estates and Trusts Article, Annotated
13 Code of Maryland from serving as personal representative.

14 5. I have made a diligent search for the decedent's will and to the best of my
15 knowledge:

16 none exists; or

17 the will dated _____ (including codicils, if any, dated _____)
18 —accompanying this petition is the last will and it came into my hands in the
19 —following manner:

20 _____

21 and the names and last known addresses of the witnesses are:

22 _____
23 _____
24 _____

25 6. Other proceedings, if any, regarding the decedent or the estate are as follows:

26 _____

27 7. If any information required by paragraphs 2 through 6 has not been furnished,
28 the reason is:

29 _____

1 ~~8. If appointed, I accept the duties of the office of personal representative and~~
2 ~~consent to personal jurisdiction in any action brought in this State against me as~~
3 ~~personal representative or arising out of the duties of the office of personal~~
4 ~~representative.~~

5 WHEREFORE, I request appointment as personal representative of the
6 decedent's estate and the following relief as indicated:

7 that the will and codicils, if any, be admitted to administrative probate;

8 that the will and codicils, if any, be admitted to judicial probate;

9 that the will and codicils, if any, be filed only;

10 that the following additional relief be granted: _____

11 _____

12 I solemnly affirm under the penalties of perjury that the contents of the
13 foregoing petition are true to the best of my knowledge, information, and belief.

14 _____

15 Attorney's Signature _____ Petitioner _____ Date _____

16 _____

17 Address _____ Petitioner _____ Date _____

18 _____

19 _____
Petitioner _____ Date _____

20 _____

21 Telephone Number _____ Telephone Number _____

22 In the Orphans' Court for

23 (or) _____, Maryland

24 Before the Register of Wills for

25 in the Estate of:

1 _____ Estate No. _____

2 ~~Schedule A~~

3 ~~REGULAR ESTATE~~

4 ~~Estimated Value of Estate and Unsecured Debts:~~

5 ~~Personal property (approximate value)..... \$ _____~~

6 ~~Real property (approximate value)..... \$ _____~~

7 ~~[Value of Property subject to:~~

8 ~~(a) Direct Inheritance Tax of _____% \$ _____~~

9 ~~(b) Collateral Inheritance Tax of _____% \$ _____~~

10 ~~(c) Collateral Inheritance Tax of _____% \$ _____~~

11 ~~.....]~~

12 ~~Unsecured Debts (approximate amount) \$ _____~~

13 _____

14 (FOR REGISTER'S USE)

15 ~~Safekeeping Wills _____ Custody of Wills _____~~

16 ~~Bond Set \$ _____ Deputy _____~~

17 ~~In the Orphans' Court for~~

18 ~~(or) _____, Maryland~~

19 ~~Before the Register of Wills for~~

20 ~~in the Estate of:~~

21 _____ Estate No. _____

22 ~~Schedule B~~

23 ~~SMALL ESTATE~~

24 ~~Assets and Debts of the Decedent:~~

25 ~~I have made a diligent search to discover all property and debts of the decedent~~
26 ~~and set forth below are:~~

27 ~~(a) A listing of all real and personal property owned by the decedent,~~
28 ~~individually or as tenant in common, and of any other property~~
29 ~~to which the decedent or estate would be entitled, including~~
30 ~~descriptions, values, and how the values were determined:~~

1 _____

2 _____

3 ~~(b) A listing of all creditors and claimants and the amounts claimed,~~
4 ~~including secured*, contingent and disputed claims:~~

5 _____

6 _____

7 ~~2. Allowable funeral expenses are \$ _____; statutory family~~
8 ~~allowances are \$ _____; and expenses of administration are \$ _____.~~

9 ~~3. Attached is a List of Interested Persons.~~

10 ~~*Note: § 5-601(c) of the Estates and Trusts Article, Annotated Code of Maryland "For~~
11 ~~the purpose of this subtitle - Value is determined by fair market value of property less~~
12 ~~debts of record secured by the property as of the date of death, to the extent that~~
13 ~~insurance benefits are not payable to the lien holder or secured party for the secured~~
14 ~~debt."~~

15 I solemnly affirm under the penalties of perjury that the contents of the
16 foregoing schedule are true to the best of my knowledge, information, and belief.

17 _____

18 ~~Attorney's Signature _____ Petitioner _____ Date~~

19 _____

20 ~~Address _____ Petitioner _____ Date~~

21 _____

22 ~~Telephone Number _____ Telephone Number~~

23 ~~5-504.~~

24 (a) A foreign personal representative administering an estate which has
25 property located in Maryland subject to THE JURISDICTION OF Maryland
26 [inheritance taxes] shall file with the register of the county in which the foreign
27 personal representative believes the largest part in value of the property is located, a
28 copy of his appointment as personal representative and of the will of the decedent, if
29 there is a will, authenticated pursuant to 28 U.S.C.A. § 1738, together with a verified
30 [application which shall describe] STATEMENT THAT:

31 (1) DESCRIBES all the property owned by the estate in Maryland and
32 known to the foreign personal representative[, and set];

33 (2) SETS forth the market value and the basis upon which that value has
34 been determined[. The register shall proceed to fix the amount of the inheritance tax

1 due and may require other evidence of value, or make an independent investigation,
2 as he considers appropriate. The determination of the register is final, subject to
3 appeal to the Maryland Tax Court.

4 (b) Upon payment of the tax, the register shall issue to the foreign personal
5 representative a receipt for it.; AND

6 (3) ~~SETS FORTH THE PERSONS TO WHOM THE PROPERTY IS TO PASS AS A~~
7 ~~RESULT OF THE DECEDENT'S DEATH.~~

8 [(e)] (B) It is not necessary for the foreign personal representative to institute
9 other proceedings before the register with respect to the assets subject to the
10 jurisdiction of Maryland.

11 [(d)] (C) Nothing contained in this section shall relieve the foreign personal
12 representative from the responsibility for paying the death taxes due the state.

13 ~~5-707.~~

14 A final report under modified administration shall include:

15 (1) A statement representing the continued qualification for modified
16 administration;

17 (2) An itemized schedule of the decedent's property and the basis of its
18 valuation;

19 (3) An itemized schedule of liens, debts, taxes, and funeral expenses of
20 the decedent and administration expenses of the estate; and

21 (4) Schedules setting forth distributive shares of the estate [and the
22 applicable inheritance tax].

23 ~~5-709.~~

24 An estate under modified administration shall close not later than 13 months
25 from the date of appointment, if a verified final report under modified administration
26 is filed and all probate fees and [inheritance] DEATH taxes are paid.

27 ~~6-102.~~

28 (b) [(1)] Even if a personal representative is excused from giving bond, [a
29 bond shall be given in an amount which the register or the court considers sufficient
30 to secure the payment of the debts and Maryland inheritance taxes payable by the
31 personal representative. The bond shall be conditioned accordingly.

32 (2) Even if a bond is not required as a condition of the appointment of a
33 personal representative,] the court may require a bond during the administration
34 upon the petition of an interested person or creditor and for good cause shown.

1 (h) (2) If the giving of a bond is [excused or waived] **REQUIRED BY THE**
 2 **COURT UPON THE PETITION OF A CREDITOR**, the required [nominal] bond shall be
 3 substantially in the following form:

4 The condition of the above obligation is such, that if shall, as personal
 5 representative of late of, deceased, pay the debts due by the deceased
 6 [and the Maryland inheritance tax payable by the personal representative], then the
 7 above obligation shall be void; it is otherwise to be in full force and effect.

8 ~~12-103.~~

9 Except as otherwise provided in this title[, the administration on or after July 1,
 10 1974 of estates of persons who died before July 1, 1974 shall be governed by those
 11 statutes in effect before July 1, 1974, and the administration on or after January 1,
 12 1970 of estates of persons who died before January 1, 1970 shall be governed by those
 13 statutes in effect before January 1, 1970.]:

14 (1) ~~THOSE STATUTES IN EFFECT BEFORE JULY 1, 2000 JANUARY 1, 2002~~
 15 ~~SHALL GOVERN THE ADMINISTRATION ON AND AFTER JULY 1, 2000 JANUARY 1, 2002~~
 16 ~~OF ESTATES OF PERSONS WHO DIED BEFORE JULY 1, 2000 JANUARY 1, 2002;~~

17 (2) ~~THOSE STATUTES IN EFFECT BEFORE JULY 1, 1974 SHALL GOVERN~~
 18 ~~THE ADMINISTRATION ON AND AFTER JULY 1, 1974 OF THE ESTATES OF PERSONS~~
 19 ~~WHO DIED BEFORE JULY 1, 1974; AND~~

20 (3) ~~THOSE STATUTES IN EFFECT BEFORE JANUARY 1, 1970 SHALL~~
 21 ~~GOVERN THE ADMINISTRATION ON AND AFTER JANUARY 1, 1970 OF ESTATES OF~~
 22 ~~PERSONS WHO DIED BEFORE JANUARY 1, 1970.~~

23 ~~14-201.~~

24 As used in this subtitle:

25 (2) "Inventory value" means the cost of property purchased by the
 26 trustee and the market value of other property at the time it became subject to the
 27 trust, decreased by the amount of any receipts, and increased by the amount of any
 28 disbursements, of principal cash in connection with such item of principal. In the case
 29 of assets subject to estate [or inheritance] tax the trustee may use as such market
 30 value any value finally determined for the purposes of such tax;

31 ~~15-309.~~

32 This subtitle does not affect any obligation of a corporation or transfer agent
 33 with respect to estate, [inheritance, succession,] generation skipping transfer, or
 34 other taxes imposed by the laws of this State.

Article – Tax – General

2 ~~7-104.~~

3 When ~~THE COMPTROLLER OR~~ a register ~~OF WILLS~~ claims that a decedent was
4 domiciled in this State at the time of death and the taxing authority of another state
5 makes a similar claim on behalf of that state, then, with the approval of the Attorney
6 General of this State, the Comptroller may make a written agreement with the other
7 taxing authority and with the personal representative to submit the controversy to
8 the decision of a board consisting of 1 or any other uneven number of arbitrators. The
9 personal representative may make the agreement. The parties to the agreement shall
10 select the arbitrator or arbitrators.

11 ~~7-118.~~

12 When ~~THE COMPTROLLER OR~~ a register ~~OF WILLS~~ claims that a decedent was
13 domiciled in this State at the time of death and the taxing authority of another state
14 makes a similar claim on behalf of that state, then, with the approval of the Attorney
15 General of this State, the Comptroller may make a written agreement of compromise
16 with the other taxing authority and the personal representative that a certain sum
17 shall be accepted in full satisfaction of all death taxes imposed by this State, including
18 any interest or penalties to the date of filing the agreement. The agreement also shall
19 determine the amount to be accepted by the other state in full satisfaction of death
20 taxes. The personal representative may make the agreement.

21 ~~7-304.~~

22 (a) In this section, "federal credit" means the maximum credit for death taxes
23 paid to any state that is allowable under § 2011 of the Internal Revenue Code against
24 the federal estate tax of a decedent as reduced by the proportion that the amount of
25 the estate not included in the Maryland estate bears to the amount of the entire
26 estate of the decedent.

27 (b) (1) Except as otherwise provided in this subsection, the Maryland estate
28 tax is the amount[, if any, by which] ~~OF~~ the federal credit [exceeds the total of death
29 taxes other than the Maryland estate tax that:

30 (i) are imposed by a state on property included in the Maryland
31 estate;

32 (ii) are allowable in computing the federal credit; and

33 (iii) except as provided in § 13-906 of this article, have actually been
34 paid out of the Maryland estate and received by the appropriate unit of this State].

35 (2) The Maryland estate tax may not exceed the amount whose timely
36 payment in accordance with federal law would reduce the amount of the federal
37 estate tax payable out of the Maryland estate had this subtitle not been enacted.

1 (e) The Maryland estate tax is not affected by a failure to take or preserve the
2 federal credit.

3 7-305.

4 (a) The person responsible for filing the federal estate tax return shall
5 complete, under oath, and file a Maryland estate tax return with the [register]
6 COMPTROLLER 9 months after the date of the death of a decedent.

7 (b) If, after a person files a Maryland estate tax return for an estate, the
8 federal estate tax on that estate is increased, the person shall file an amended
9 Maryland estate tax return with the [register] COMPTROLLER when the person pays
10 the additional federal tax.

11 ~~(C) (1) NOTWITHSTANDING SUBSECTIONS (A) AND (B) OF THIS SECTION, AT~~
12 ~~THE OPTION OF THE PERSON RESPONSIBLE FOR FILING THE RETURN, A MARYLAND~~
13 ~~ESTATE TAX RETURN OR AN AMENDED MARYLAND ESTATE TAX RETURN MAY BE~~
14 ~~FILED WITH THE REGISTER INSTEAD OF THE COMPTROLLER.~~

15 ~~(2) A REGISTER SHALL PROMPTLY FORWARD TO THE COMPTROLLER A~~
16 ~~MARYLAND ESTATE TAX RETURN OR AMENDED MARYLAND ESTATE TAX RETURN~~
17 ~~THAT HAS BEEN FILED WITH THE REGISTER.~~

18 7-306.

19 Except as provided in § 7-307 of this subtitle, the person responsible for filing
20 the federal estate tax return shall pay the Maryland estate tax to the Comptroller
21 when the Maryland estate tax return is filed [with the register].

22 13-101.

23 (e) (2) "Tax collector" includes:

24 (i) the Comptroller; AND

25 (ii) the Department, with respect to:

26 1. the financial institution franchise tax; and

27 2. the public service company franchise tax[; and

28 (iii) the registers of wills, with respect to the inheritance tax].

29 13-302.

30 (b) If a person fails to comply with a subpoena or fails to testify on any matter
31 on which the person lawfully may be interrogated, on petition of a tax collector, a
32 circuit court [or, if the subpoena is issued under authority of an orphans' court, the
33 orphans' court] may pass an order directing compliance with the subpoena or
34 compelling testimony.

1 ~~13-510.~~

2 (a) Except as provided in subsection (b) of this section and subject to § 13-514
3 of this subtitle, within 30 days after the date on which a notice is mailed, a person or
4 governmental unit that is aggrieved by the action in the notice may appeal to the Tax
5 Court from:

6 (1) a final assessment of tax, interest, or penalty under this article;

7 (2) a final determination on an application for revision or claim for
8 refund under § 13-508 of this subtitle;

9 [(3) an inheritance tax determination by a register or by an orphans'
10 court other than a circuit court sitting as an orphans' court;

11 (4)] (3) a denial of an alternative payment schedule for [inheritance tax
12 or] Maryland estate tax;

13 [(5)] (4) a final determination on a claim for return of seized property
14 under § 13-839 or § 13-840 of this title; or

15 [(6)] (5) a disallowance of a claim for refund under § 13-904 of this title.
16 ~~13-601.~~

17 (a) Except as otherwise provided in this section, if a person or governmental
18 unit fails to pay a tax imposed under this article on or before the date on which the
19 tax is due, the tax collector shall assess interest on the unpaid tax from the due date
20 to the date on which the tax is paid.

21 (b) Except as provided in [subsections (c)(2) and (d)] SUBSECTION (C) of this
22 section, the date on which the tax is due is determined without regard to any
23 extension of time to file a return.

24 [(c) Interest on unpaid inheritance tax begins:

25 (1) 30 days after the date on which the tax is determined;

26 (2) on the original due date, if there is no formal administration of the
27 estate and the tax is not paid within 30 days after the date on which the tax bill is
28 mailed; or

29 (3) 30 days after the original due date, if an alternative payment
30 schedule for inheritance tax is allowed.

31 (d)] (C) Interest on unpaid Maryland estate tax begins 9 months after the
32 date of the death of a decedent and applies to tax that is not paid by that date,
33 including:

34 (1) an increase in Maryland estate tax due to a change in federal estate
35 tax made after a payment of Maryland estate tax; and

1 (2) a payment made in accordance with an alternative payment
2 schedule.

3 ~~[(c)]~~ (D) Interest on unpaid Maryland generation-skipping transfer tax
4 begins on the date the Maryland generation-skipping transfer tax return is due and
5 applies to tax that is not paid by that date, including an increase in Maryland
6 generation-skipping transfer tax due to a change in federal generation-skipping
7 transfer tax made after a payment of Maryland generation-skipping transfer tax.

8 ~~[(f)]~~ (E) An overpayment of sales and use tax stops the accrual of interest on
9 a sales and use tax deficiency to the extent of the overpayment as of the date the
10 overpayment is made.

11 ~~13-603.~~

12 (a) Except as otherwise provided in this section, if a claim for refund under §
13 ~~13-901(a)(1) or (2) or (d)[(1)(i) or (2)]~~ of this title is approved, the tax collector shall
14 pay interest on the refund from the 45th day after the claim is filed in the manner
15 required in Subtitle 9 of this title to the date on which the refund is paid.

16 (b) A tax collector may not pay interest on a refund if the claim for refund is:

17 (1) made under any provision other than § 13-901(a)(1) or (2) or (d)[(1)(i)
18 or (2)] of this title;

19 (2) based on:

20 (i) an error or mistake of the claimant not attributable to the State
21 or a unit of the State government;

22 (ii) withholding excess income tax; OR

23 (iii) an overpayment of estimated financial institution franchise tax
24 or estimated income tax; [or

25 (iv) an overpayment of Maryland estate tax based on an inheritance
26 tax payment made after payment of Maryland estate tax;] or

27 (3) made for Maryland estate tax or Maryland generation-skipping
28 transfer tax more than 1 year after the event on which the claim is based.

29 ~~13-701.~~

30 (a) ~~Except as otherwise provided in this subtitle, if a person or governmental~~
31 ~~unit fails to pay a tax when due under this article, the tax collector shall assess a~~
32 ~~penalty not exceeding 10% of the unpaid tax.~~

33 (b) (1) If a person fails to pay financial institution franchise tax, income tax,
34 or tobacco tax when required under this article, the tax collector shall assess a
35 penalty not exceeding 25% of the unpaid tax.

1 (2) If a person fails to file a motor carrier tax return or motor fuel tax
2 return when required under this article, the Comptroller shall assess a penalty not
3 exceeding \$25.

4 ~~[(c) The penalty under subsection (a) of this section may be assessed for unpaid
5 inheritance tax at or after the time allowed for the assessment of interest under §
6 13-601(e) of this title.]~~

7 ~~13-805.~~

8 ~~(a) Unpaid tax, interest, and penalties constitute a lien, in favor of the State,
9 extending to all property and rights to property belonging to:~~

10 ~~(1) the person required to pay the tax; or~~

11 ~~(2) the fiduciary estate on which the tax is imposed.~~

12 ~~[(b) Unpaid inheritance tax, interest, and penalties constitute a lien, in favor of
13 the State, extending to:~~

14 ~~(1) the assets of a small business for which an alternative payment
15 schedule was granted under § 7-218 of this article; and~~

16 ~~(2) any other property on which inheritance tax is due.~~

17 ~~[(e)] (B) Unpaid Maryland estate tax and interest constitute a lien, in favor of
18 the State, extending to the estate that is subject to the Maryland estate tax.~~

19 ~~[(d)] (C) Unpaid Maryland generation skipping transfer tax and interest
20 constitute a lien, in favor of the State, extending to any property included in the
21 generation skipping transfer for which the Maryland generation skipping transfer
22 tax is due.~~

23 ~~13-806.~~

24 ~~[(a)] Unless another date is specified by law [and except for a lien under
25 subsection (b) of this section], a lien arises on the date of notice that the tax is due
26 and continues to the date on which the lien is:~~

27 ~~(1) satisfied; or~~

28 ~~(2) released by the tax collector because the lien is:~~

29 ~~(i) unenforceable by reason of lapse of time; or~~

30 ~~(ii) uncollectible.~~

31 ~~[(b) (1) Except as otherwise provided in this subsection, a lien for unpaid
32 inheritance tax:~~

33 ~~(i) arises on the date of distribution; and~~

1 (ii) continues for 4 years.

2 (2) If the property is subject to a special valuation under § 7-211 of this
3 article, a lien:

4 (i) arises on the date on which the interest in the property vests in
5 possession; and

6 (ii) continues for 4 years.

7 (3) If the unpaid inheritance tax is attributable to the disqualification of
8 property that was qualified for special valuation or exemption under § 7-211 of this
9 article, the lien:

10 (i) arises on the date on which the decedent died; and

11 (ii) continues for 20 years.]

12 ~~13-901.~~

13 (d) ~~A claim for refund of Maryland estate tax or Maryland~~
14 ~~generation-skipping transfer tax may be filed by a claimant required to pay the tax if:~~

15 (1) ~~the Maryland estate tax is decreased as a result of:~~

16 (i) ~~a decrease in the federal estate tax on the estate; or~~

17 (ii) ~~an inheritance tax payment made after a Maryland estate tax~~
18 ~~payment]; or~~

19 (2) ~~the Maryland generation-skipping transfer tax is decreased as a~~
20 ~~result of a decrease in the federal generation-skipping transfer tax on the~~
21 ~~generation-skipping transfer.~~

22 ~~13-1104.~~

23 (d) ~~A claim for refund of Maryland estate tax[, inheritance tax,] or Maryland~~
24 ~~generation-skipping transfer tax may not be filed after 3 years from the date of the~~
25 ~~event that caused the refund.~~

26 ~~SECTION 4. 5. AND BE IT FURTHER ENACTED, That Section(s) 7-228 and~~
27 ~~7-231(e) of Article Tax General of the Annotated Code of Maryland be repealed~~
28 ~~and reenacted, with amendments, and transferred to be Section(s) 2-213 of Article~~
29 ~~Estates and Trusts of the Annotated Code of Maryland, to read as follows:~~

1 **Article—Estates and Trusts**2 ~~[7-231.] 2-213.~~

3 ~~[(e)] (A) For an estate of a nonresident decedent, the register shall cooperate~~
 4 ~~with the domiciliary taxing authorities and give them any information requested~~
 5 ~~about the estate.~~

6 ~~[7-228.]~~

7 ~~[(a)] (B) For an estate of a nonresident decedent, if the death taxes and~~
 8 ~~interest and penalties on the death taxes due to a domiciliary state or a political~~
 9 ~~subdivision of a domiciliary state are not paid or secured, the unit responsible for~~
 10 ~~collecting the death taxes in the domiciliary state or subdivision may petition and~~
 11 ~~receive from the court in this State that granted letters of administration for the~~
 12 ~~estate an order for:~~

13 (1) ~~[an] AN accounting of the property in this State; and~~14 (2) ~~[payment] PAYMENT of the death taxes and interest and penalties~~
15 ~~on the death taxes.~~

16 ~~[(b)] (C) The personal representative of an estate of a nonresident decedent is~~
 17 ~~not entitled to approval for a final accounting or discharge until the personal~~
 18 ~~representative files with the court that granted letters of administration for the~~
 19 ~~estate:~~

20 (1) ~~[proof] PROOF that all death taxes and the interest and penalties on~~
21 ~~the death taxes have been paid to or secured for the domiciliary taxing authorities; or~~22 (2) ~~[the] THE consent of the domiciliary taxing authorities to the final~~
23 ~~accounting or discharge.~~

24 ~~[(e)] (D) This section [and § 7-231(e) of this subtitle] shall be construed~~
 25 ~~liberally to ensure that the domiciliary state of a nonresident decedent receives the~~
 26 ~~death taxes and the interest and penalty on the death taxes due to that state from the~~
 27 ~~estate of the decedent.~~

28 ~~SECTION 5. 6. AND BE IT FURTHER ENACTED, That the Department of~~
 29 ~~Budget and Management, the Comptroller of the Treasury, and the Chief Judge of the~~
 30 ~~Court of Appeals, in cooperation with representatives of the registers of wills, jointly~~
 31 ~~shall conduct a study and report to the budget committees House Appropriations~~
 32 ~~Committee, House Committee on Ways and Means, and Senate Budget and Taxation~~
 33 ~~Committee of the General Assembly on or before December 31, 2000 2001, in~~
 34 ~~accordance with § 2-1246 of the State Government Article, on the appropriate~~
 35 ~~long-range mechanisms for funding and budgetary control and oversight of the~~
 36 ~~registers of wills offices in light of the repeal of the inheritance tax as provided under~~
 37 ~~this Act. The report shall include recommendations as to whether the budgets of the~~
 38 ~~registers of wills offices should be included in the budget for the Executive Branch or~~
 39 ~~the Judicial Branch of government and the appropriate level of budgetary oversight~~

1 and shall include drafts of any legislative changes necessary to implement the
2 recommendations as to:

3 (1) whether the probate fees to be charged by the registers of wills, as
4 increased under this Act, will be appropriate and sufficient to fund the registers of
5 wills offices in light of the repeal of the inheritance tax, including whether the fees
6 charged by the registers of wills would more appropriately be imposed based on the
7 value of all property passing from a decedent rather than based on the probate estate
8 of the decedent; and

9 (2) whether the current level of budgetary oversight of the registers of
10 wills offices is appropriate.

11 SECTION 7. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall
12 take effect January 1, 2001 and shall be applicable to persons dying on or after
13 January 1, 2001.

14 SECTION 6. 8. AND BE IT FURTHER ENACTED, That, except as otherwise
15 provided in this section, Sections 2 through 5 of this Act shall be applicable to persons
16 dying on or after July 1, 2000 January 1, 2002. Those statutes in effect on June 30,
17 2000 December 31, 2001 shall govern the administration, on and after July 1, 2000
18 January 1, 2002, of estates of persons who died before July 1, 2000 January 1, 2002,
19 and shall govern the imposition, rate, administration, collection, enforcement, and
20 distribution, on and after July 1, 2000 January 1, 2002, of the inheritance tax on
21 property passing from persons who died before July 1, 2000 January 1, 2002. The
22 repeal of §§ 2-206(n) and 2-207 § 2-206(n) of the Estates and Trusts Article under
23 Section 1 2 of this Act and the changes to § 2-205 of the Estates and Trusts Article
24 under Section 3 4 of this Act shall be applicable to fiscal years beginning on or after
25 July 1, 2001 2002. On and after July 1, 2001 2002, the registers of wills shall deposit
26 any inheritance tax revenue collected to the General Fund of the State.

27 SECTION 7. 9. AND BE IT FURTHER ENACTED, That, except as provided
28 in Sections 7 and 8 of this Act, this Act shall take effect July 1, 2000.

29 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 7-203(k) and
30 (l), respectively, of Article - Tax - General of the Annotated Code of Maryland be
31 renumbered to be Section(s) 7-203(j) and (k), respectively.

32 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 July 1, 2000 and shall be applicable to all decedents dying on or after July 1, 2000.

