## ESTIMATED REVENUE EFFECTS OF A CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 8, THE "DEATH TAX ELIMINATION ACT OF 2001" SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON MARCH 29, 2001

Fiscal Years 2002 - 2011

[Millions of Dollars]

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
<ol> <li>Phase In Repeal of Estate, Gift, and Generation-Skipping Transfer Taxes - beginning in 2002, convert the unified credit into a true exemption, repeal the 5% "bubble" (which phases out the lower rates); repeal rates in excess of 53%; in 2003, repeal rates in excess of 50%; in 2004 through 2006, reduce all rates by 1 percentage point a year; in 2007 through 2010 reduce all rates by 2 percentage points a year; proportionately reduce State tax credit rates; beginning in 2011, repeal all of these taxes; carryover basis applies to transfers at death after 12/31/10 of assets fully owned by decedents, except: (1) \$1.3 million of additional basis and certain loss carryforwards of the decedent are allowed to be added to carryover basis, and (2) an additional \$3 million of basis is allowed to</li> </ol>													
<ul> <li>be added to carryover basis of assets going to surviving spouse; certain reporting requirements on large gifts and bequests</li> <li>2. Expand Availability of Estate Tax Exclusion for Conservation Easements - increase the 25-mile</li> </ul>	dda & gma 12/31/01		-7,533	-8,906	-11,183	-13,001	-14,845	-20,014	-27,882	-34,642	-51,358	-40,624	-189,364
limit to 50 miles; increase 10-mile limit to 25 miles, and clarify the date for determining easement compliance	dda 12/31/00	-2	-13	-19	-20	-20	-21	-22	-24	-26	-28	-74	-195
<ul> <li>a. Deemed allocation of the generation-skipping transfer tax exemption to lifetime transfers to trusts that are not direct skips</li> <li>b. Retroactive allocation of the generation-skipping</li> </ul>	ta 12/31/00	-1	-3	-4	-4	-4	-4	-4	-4	-4	-4	-16	-36
<ul> <li>tax exemption</li> <li>c. Severing of trusts holding property having an inclusion ratio of greater than zero</li> <li>d. Modification of certain valuation rules</li> </ul>	generally 12/31/00  	-1	-4	-6	-6	-6	- Included	l in Item 3.	b			-23	
e. Relief from late elections f. Substantial compliance		Included in Item 3.b Included in Item 3.b											

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Provision Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
<ul> <li>4. Modifications to Section 6166 - increase from 15 to 45 the number of partners of a partnership or shareholders in a corporation eligible for installment payments of estate tax under section 6166</li></ul>		-285	-297	-330	-364	-394	-383	-381	-371	-358	-1,276	-3,163
NET TOTAL		-7,838	-9,232	-11,543	-13,395	-15,270	-20,429	-28,297	-35,049	-51,754	-42,013	-192,811
oint Committee on Taxation												

Legend for "Effective" column: dda = decedents dying after gma = gifts made after ta = transfers after