

Senate Bill 160

In The Senate

January 16, 1981	Introduced and referred to Committee on Taxation.
	Fiscal note requested.
January 20, 1981	Fiscal note returned.
February 14, 1981	Committee recommend bill do pass as amended.
February 16, 1981	Bill printed and placed on members' desks.
February 17, 1981	Second reading do pass.
February 18, 1981	Correctly engrossed.
February 19, 1981	Third reading passed.

In The House

February 20, 1981	Introduced and referred to Committee on Taxation.
April 11, 1981	Committee recommend bill concurred.
April 13, 1981	Second reading not concurred.

In The Senate

April 14, 1981	Returned from House not concurred.
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*Senate* BILL NO. *160*  
*Mike Anderson*

INTRODUCED BY \_\_\_\_\_

A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE THE INSURANCE EXEMPTION FOR INHERITANCE TAX PURPOSES FROM \$50,000 TO \$100,000 AND TO CLARIFY THE EXISTING LAW TO SPECIFICALLY LIMIT THE INHERITANCE TAX ON INSURANCE PROCEEDS TO INSTANCES IN WHICH THE INCIDENCE OF OWNERSHIP IS IN THE INSURED; AMENDING SECTION 72-16-304, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
Section 1. Section 72-16-304, MCA, is amended to read:  
"72-16-304. Insurance proceeds part of estate -- exemption. All insurance payable upon the death of any person over and above ~~\$50,000~~ \$100,000, ~~in which the incidence of ownership is in the insured,~~ shall be deemed a part of the property and estate passing to the person or persons entitled to receive the same and, if payable to more than one person, the ~~\$50,000~~ \$100,000 exemption shall be prorated between such persons in proportion to the amount of insurance payable to each."

-End-

INTRODUCED BILL  
*SB 160*

STATE OF MONTANA

REQUEST NO. 133-81

FISCAL NOTE

Form BD-15

In compliance with a written request received January 19, 19 81, there is hereby submitted a Fiscal Note for SENATE BILL 160 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

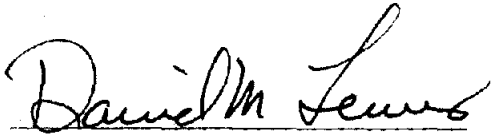
DESCRIPTION

An act to increase the insurance exemption for inheritance tax purposes from \$50,000 to \$100,000 and to clarify the existing law to specifically limit the inheritance tax on insurance proceeds to instances in which the incidence of ownership is in the insured.

FISCAL IMPACT

MINIMAL FISCAL IMPACT

PREPARED BY THE DEPARTMENT OF REVENUE



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-20-81

Approved by Committee  
on Taxation

1 SENATE BILL NO. 160

2 INTRODUCED BY H. ANDERSON

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5 INSURANCE EXEMPTION FOR INHERITANCE TAX PURPOSES FROM  
6 \$50,000 TO \$100,000 AND TO CLARIFY THE EXISTING LAW TO  
7 SPECIFICALLY LIMIT THE INHERITANCE TAX ON INSURANCE PROCEEDS  
8 TO INSTANCES IN WHICH THE INCIDENCE OF OWNERSHIP IS IN THE  
9 INSURED; AMENDING SECTION 72-16-304, MCA."

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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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15 person over--and--above--\$50,000 ~~\$100,000~~ in--which--the  
16 ~~incidence--of--ownership--is--in--the--insured~~ shall be deemed a  
17 part of the property and estate passing to the person or  
18 persons entitled to receive the same and if payable to more  
19 than one person the \$50,000 ~~\$100,000~~ exemption shall be  
20 prorated between such persons in proportion to the amount of  
21 insurance payable to each IS EXEMPT."

-End-

SECOND READING

SB 160

1 SENATE BILL NO. 160

2 INTRODUCED BY M. ANDERSON

3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE-THE EXEMPT  
5 INSURANCE EXEMPTION FOR INHERITANCE TAX PURPOSES FROM  
6 \$50,000-TO-\$100,000-AND-TO-CLARIFY--THE--EXISTING--LAW--TO  
7 SPECIFICALLY-LIMIT-THE-INHERITANCE-TAX-ON-INSURANCE-PROCEEDS  
8 TO--INSTANCES--IN-WHICH-THE-INCIDENCE-OF-OWNERSHIP-IS-IN-THE  
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18 persons-entitled-to-receive-the-same-and, if payable to more  
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20 prorated-between-such-persons-in-proportion-to-the-amount-of  
21 insurance-payable-to-each IS EXEMPT."

-End-

THIRD READING  
SB 160