

106TH CONGRESS  
1ST SESSION

# H. R. 1278

To amend the Internal Revenue Code of 1986 to repeal the limitation on the estate tax deduction for family-owned business interests.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 24, 1999

Mr. SMITH of Washington introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to repeal the limitation on the estate tax deduction for family-owned business interests.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Family-Owned Busi-  
5       ness Survival Act of 1999”.

1 **SEC. 2. REPEAL OF LIMITATION ON ESTATE TAX DEDUC-**  
2 **TION FOR FAMILY-OWNED BUSINESS INTER-**  
3 **ESTS.**

4 (a) IN GENERAL.—Subsection (a) of section 2057 of  
5 the Internal Revenue Code of 1986 (relating to family-  
6 owned business interests) is amended to read as follows:

7 “(a) ALLOWANCE OF DEDUCTION.—For purposes of  
8 the tax imposed by section 2001, in the case of an estate  
9 of a decedent to which this section applies, the value of  
10 the taxable estate shall be determined by deducting from  
11 the value of the gross estate the adjusted value of the  
12 qualified family-owned business interests of the decedent  
13 which are described in subsection (b)(2).”

14 (b) EFFECTIVE DATE.—The amendment made by  
15 subsection (a) shall apply to estates of decedents dying  
16 after the date of the enactment of this Act.

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