

107TH CONGRESS
1ST SESSION

H. R. 1486

To amend the Internal Revenue Code of 1986 to encourage qualified conservation contributions by allowing an estate tax deduction for such contributions made by the heirs of the estate.

IN THE HOUSE OF REPRESENTATIVES

APRIL 4, 2001

Ms. LOFGREN (for herself, Mr. HONDA, and Mr. PRICE of North Carolina) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to encourage qualified conservation contributions by allowing an estate tax deduction for such contributions made by the heirs of the estate.

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. CERTAIN GIFTS BY HEIRS OF DECEDENT AL-**
4 **LOWED AS DEDUCTION IN DETERMINING**
5 **TAXABLE ESTATE OF DECEDENT.**

6 (a) IN GENERAL.—Section 2055 of the Internal Rev-
7 enue Code of 1986 (relating to transfers for public, chari-
8 table, and religious uses) is amended by redesignating sub-

1 section (g) as subsection (h) and by inserting after sub-
2 section (f) the following new subsection:

3 “(g) CERTAIN GIFTS BY HEIRS OF DECEDENT AL-
4 LOWED AS DEDUCTION.—

5 “(1) IN GENERAL.—In the case of real property
6 acquired from or passed from a decedent, if each
7 person in being who has an interest (whether or not
8 in possession) in such property files, with the return
9 of tax imposed by this chapter on such decedent—

10 “(A) a signed statement indicating such
11 person’s intent to make (within a reasonable pe-
12 riod) a contribution of such property (or a re-
13 mainder interest therein) to a qualified organi-
14 zation (as defined in section 170(h)(3)) exclu-
15 sively for conservation purposes (as defined in
16 section 170(h)(4)), and

17 “(B) an election to have this subsection
18 apply to such property (or interest),
19 such contribution shall be treated for purposes of
20 this title as having been made as a bequest or devise
21 directly from the estate of such decedent.

22 “(2) RETURN MUST BE TIMELY FILED.—Para-
23 graph (1) shall not apply unless the return is filed
24 on or before the due date (including extensions).

1 “(3) STATUTE OF LIMITATIONS OPEN UNTIL
2 AFTER CONTRIBUTION IS MADE.—If any person
3 elects to have this subsection apply to any property,
4 then—

5 “(A) the statutory period for the assess-
6 ment of any deficiency attributable to such
7 property shall not expire before the expiration
8 of 3 years from the date the Secretary is noti-
9 fied by such person (in such manner as the Sec-
10 retary may prescribe) of—

11 “(i) the transfer of such property in a
12 contribution described in paragraph
13 (1)(A), or

14 “(ii) such person’s intention not to
15 make such a transfer, and

16 “(B) such deficiency may be assessed be-
17 fore the expiration of such 3-year period not-
18 withstanding the provisions of any other law or
19 rule of law which would otherwise prevent such
20 assessment.

21 “(4) MODIFICATIONS.—Rules similar to the
22 rules which apply under section 2032A(d)(3) shall
23 apply for purposes of this subsection.”

24 (b) EFFECTIVE DATE.—The amendment made by
25 this section shall take effect as if included in the amend-

1 ments made by section 508 of the Taxpayer Relief Act
2 of 1997. The heirs of all estates subject to such section
3 508 for which an estate tax return was timely filed by
4 the due date (including extensions) shall have 1 year from
5 the date of enactment of this Act to comply with the re-
6 quirements of section 2055(g) of the Internal Revenue
7 Code of 1986, as added by this section.

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