

107TH CONGRESS
1ST SESSION

H. R. 88

To amend the Internal Revenue Code of 1986 to increase the unified credit against estate and gift taxes to the equivalent of a \$5,000,000 exclusion and to increase the annual gift exclusion to \$30,000.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 2001

Mr. FOLEY 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 increase the unified credit against estate and gift taxes to the equivalent of a \$5,000,000 exclusion and to increase the annual gift exclusion to \$30,000.

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 Equity Preser-
5 vation Act of 2001”.

1 **SEC. 2. UNIFIED CREDIT INCREASED TO EQUIVALENT OF**
 2 **\$5,000,000 EXCLUSION.**

3 (a) IN GENERAL.—Subsection (c) of section 2010 of
 4 the Internal Revenue Code of 1986 (relating to applicable
 5 credit amount) is amended by striking all that follows
 6 “were the applicable exclusion amount” and inserting “.
 7 For purposes of the preceding sentence, the applicable ex-
 8 clusion amount is \$5,000,000.”

9 (b) CONFORMING AMENDMENT.—Subparagraph (A)
 10 of section 2057(a)(3) of such Code is amended by striking
 11 “\$625,000” and inserting “the excess of the applicable ex-
 12 clusion amount (determined without regard to this para-
 13 graph) over \$675,000”.

14 (c) EFFECTIVE DATE.—The amendments made by
 15 this section shall apply to estates of decedents dying, and
 16 gifts made, after the date of the enactment of this Act.

17 **SEC. 3. ANNUAL EXCLUSION FROM GIFT TAX INCREASED**
 18 **TO \$30,000.**

19 (a) IN GENERAL.—Subsection (b) of section 2503 of
 20 the Internal Revenue Code of 1986 (relating to exclusion
 21 from gifts) is amended—

22 (1) by striking “\$10,000” each place it appears
 23 and inserting “\$30,000”,

24 (2) by striking “1998” and inserting “2001”,
 25 and

26 (3) by striking “1997” and inserting “2000”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to gifts made after December 31,
3 2000.

