

108TH CONGRESS  
1ST SESSION

# H. R. 2532

To amend the Internal Revenue Code of 1986 to restore the applicability of the estate tax to estates over \$3,000,000, to restore the 50-percent maximum rate, and to deposit revenues from the estate tax into Social Security Trust Funds.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 19, 2003

Mr. KENNEDY of Rhode Island (for himself, Ms. BALDWIN, and Mr. FRANK of Massachusetts) 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 restore the applicability of the estate tax to estates over \$3,000,000, to restore the 50-percent maximum rate, and to deposit revenues from the estate tax into Social Security Trust Funds.

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 “Save Social Security  
5       First Act of 2003”.

1 **SEC. 2. CONTINUATION OF ESTATE TAX; REPEAL OF CAR-**2 **RYOVER BASIS; ETC.**

3 (a) IN GENERAL.—Subtitles A and E of title V of  
4 the Economic Growth and Tax Relief Reconciliation Act  
5 of 2001, and the amendments made by such subtitles, are  
6 hereby repealed; and the Internal Revenue Code of 1986  
7 shall be applied as if such subtitles, and amendments, had  
8 never been enacted.

9 (b) SUNSET NOT TO APPLY.—

10 (1) Subsection (a) of section 901 of the Eco-  
11 nomic Growth and Tax Relief Reconciliation Act of  
12 2001 is amended by striking “this Act” and all that  
13 follows and inserting “this Act (other than title V)  
14 shall not apply to taxable, plan, or limitation years  
15 beginning after December 31, 2010.”.

16 (2) Subsection (b) of such section 901 is  
17 amended by striking “, estates, gifts, and transfers”.

18 (c) CONFORMING AMENDMENTS.—Subsections (d)  
19 and (e) of section 511 of the Economic Growth and Tax  
20 Relief Reconciliation Act of 2001, and the amendments  
21 made by such subsections, are hereby repealed; and the  
22 Internal Revenue Code of 1986 shall be applied as if such  
23 subsections, and amendments, had never been enacted.

1   **SEC. 3. IMMEDIATE \$3,000,000 EXEMPTION; RESTORATION**

2                   **OF 50 PERCENT MAXIMUM RATE.**

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

9               (b) 50 PERCENT MAXIMUM ESTATE TAX RATE.—

10   Subsection (c) of section 2001 of such Code is amended—  
11               (1) by striking “(1) IN GENERAL.—”, and  
12               (2) by striking paragraph (2).

13               (c) EFFECTIVE DATE.—The amendments made by  
14    this section shall apply to estates of decedents dying, and  
15    gifts made, after December 31, 2003.

16   **SEC. 4. TRANSFER OF ESTATE TAX REVENUES AFTER 2009**

17                   **TO SOCIAL SECURITY TRUST FUNDS.**

18               (a) IN GENERAL.—Amounts equivalent to the taxes  
19    imposed by chapter 11 of the Internal Revenue Code of  
20    1986 with respect to estates of decedents dying after De-  
21    cember 31, 2004, are hereby appropriated to—

22               (1) the Federal Old-Age and Survivors Insur-  
23    ance Trust Fund, and  
24               (2) the Federal Disability Insurance Trust  
25    Fund.

1 Amounts appropriated by the preceding sentence to each  
2 such Fund for any calendar year shall be in the same pro-  
3 portion as amounts are appropriated to such Funds dur-  
4 ing such year without regard to this section.

5 (b) TRANSFERS.—The amounts appropriated by sub-  
6 section (a) to each fund shall be transferred from time  
7 to time (but not less frequently than quarterly) from the  
8 general fund of the Treasury on the basis of estimates  
9 made by the Secretary of the Treasury of the amounts  
10 referred to in subsection (a). Proper adjustments shall be  
11 made in the amounts subsequently transferred to the ex-  
12 tent prior estimates were in excess of or less than the  
13 amounts required to be transferred.

