

99-514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99-514, as amended, set out as a note under section 401 of this title.

SPECIAL RULE FOR CERTAIN TRANSFERS IN  
OCTOBER 1984

Pub. L. 99-514, title XVIII, §1879(n)(3), Oct. 22, 1986, 100 Stat. 2910, provided that: "An election under section 2523(f) of the Internal Revenue Code of 1954 [now 1986] with respect to an interest in property which—

"(A) was transferred during October 1984, and

"(B) was transferred pursuant to a trust instrument stating that the grantor's intention was that the property of the trust would constitute qualified terminable interest property as to which a Federal gift tax marital deduction would be allowed upon the grantor's election,

shall be made on the return of tax imposed by section 2501 of such Code for the calendar year 1984 which is filed on or before the due date of such return or, if a timely return is not filed, on the first such return filed after the due date of such return and before December 31, 1986."

**§ 2524. Extent of deductions**

The deductions provided in sections 2522 and 2523 shall be allowed only to the extent that the gifts therein specified are included in the amount of gifts against which such deductions are applied.

(Aug. 16, 1954, ch. 736, 68A Stat. 414.)

**CHAPTER 13—TAX ON GENERATION-  
SKIPPING TRANSFERS**

Subchapter	Sec.1
A. Tax imposed .....	2601
B. Generation-skipping transfers .....	2611
C. Taxable amount .....	2621
D. GST exemption .....	2631
E. Applicable rate; inclusion ratio .....	2641
F. Other definitions and special rules .....	2651
G. Administration .....	2661

**Editorial Notes**

AMENDMENTS

1986—Pub. L. 99-514, title XIV, §1431(a), Oct. 22, 1986, 100 Stat. 2717, struck out "CERTAIN" after "TAX ON" in chapter heading, substituted "Generation-skipping transfers" for "Definitions and special rules" in item for subchapter B and "Taxable amount" for "Administration" in item for subchapter C, and added items for subchapters D, E, and F.

**Subchapter A—Tax Imposed**

Sec.	
2601.	Tax imposed.
2602.	Amount of tax.
2603.	Liability for tax.
[2604.	Repealed.]

**Editorial Notes**

AMENDMENTS

2014—Pub. L. 113-295, div. A, title II, §221(a)(95)(B)(i), Dec. 19, 2014, 128 Stat. 4051, which directed amendment of subchapter A of chapter 13 of this title by striking out item 2604 in the table of sections for "such subpart", was executed by striking out item 2604 "Credit for certain State taxes" in the table of sections for this subchapter, to reflect the probable intent of Congress.

<sup>1</sup> Section numbers editorially supplied.

2004—Pub. L. 108-311, title IV, §408(a)(21), Oct. 4, 2004, 118 Stat. 1192, added item 2604.

2001—Pub. L. 107-16, title V, §532(c)(15), June 7, 2001, 115 Stat. 75, struck out item 2604 "Credit for certain State taxes".

1986—Pub. L. 99-514, title XIV, §1431(a), Oct. 22, 1986, 100 Stat. 2717, in amending analysis of subchapter A generally, added item 2604.

**§ 2601. Tax imposed**

A tax is hereby imposed on every generation-skipping transfer (within the meaning of subchapter B).

(Added Pub. L. 94-455, title XX, §2006(a), Oct. 4, 1976, 90 Stat. 1879; amended Pub. L. 99-514, title XIV, §1431(a), Oct. 22, 1986, 100 Stat. 2718.)

**Editorial Notes**

AMENDMENTS

1986—Pub. L. 99-514 amended section generally, substituting "(within the meaning of subchapter B)" for "in the amount determined under section 2602".

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF 1986 AMENDMENT

Pub. L. 99-514, title XIV, §1433, Oct. 22, 1986, 100 Stat. 2731, as amended by Pub. L. 100-647, title I, §1014(h)(1)-(3)(A), (4), Nov. 10, 1988, 102 Stat. 3567, 3568, provided that:

"(a) GENERAL RULE.—Except as provided in subsection (b), the amendments made by this subtitle [subtitle D (§§1431-1433) of title XIV of Pub. L. 99-514, amending chapter 13 of this title, enacting section 2515 of this title, and amending sections 164, 303, 691, 2013, 2032, and 6166 of this title] shall apply to any generation-skipping transfer (within the meaning of section 2611 of the Internal Revenue Code of 1986) made after the date of the enactment of this Act [Oct. 22, 1986].

"(b) SPECIAL RULES.—

"(1) TREATMENT OF CERTAIN INTER VIVOS TRANSFERS MADE AFTER SEPTEMBER 25, 1985.—For purposes of subsection (a) (and chapter 13 of the Internal Revenue Code of 1986 as amended by this part), any inter vivos transfer after September 25, 1985, and on or before the date of the enactment of this Act [Oct. 22, 1986] shall be treated as if it were made on the 1st day after the date of enactment of this Act.

"(2) EXCEPTIONS.—The amendments made by this subtitle shall not apply to—

"(A) any generation-skipping transfer under a trust which was irrevocable on September 25, 1985, but only to the extent that such transfer is not made out of corpus added to the trust after September 25, 1985 (or out of income attributable to corpus so added),

"(B) any generation-skipping transfer under a will or revocable trust executed before the date of the enactment of this Act [Oct. 22, 1986] if the decedent dies before January 1, 1987, and

"(C) any generation-skipping transfer—

"(i) under a trust to the extent such trust consists of property included in the gross estate of a decedent (other than property transferred by the decedent during his life after the date of the enactment of this Act [Oct. 22, 1986]), or reinvestments thereof, or

"(ii) which is a direct skip which occurs by reason of the death of any decedent;

but only if such decedent was, on the date of the enactment of this Act [Oct. 22, 1986], under a mental disability to change the disposition of his property and did not regain his competence to dispose of such property before the date of his death.

"(3) TREATMENT OF CERTAIN TRANSFERS TO GRANDCHILDREN.—