

LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
SECOND SESSION
LEGISLATIVE BILL 812

Introduced by Hansen, 42.

Read first time January 10, 2014

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend sections
2 77-2001 and 77-2002, Reissue Revised Statutes of
3 Nebraska; to terminate the inheritance tax; and to repeal
4 the original sections.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2001, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 77-2001 All property, including proceeds of life
4 insurance receivable by the executor or administrator to the extent
5 of the amount receivable by the executor or administrator as
6 insurance under policies upon the life of the decedent, which shall
7 pass by will or by the intestate laws of this state from any person
8 dying prior to January 1, 2015, who, at the time of death was a
9 resident of this state, or, if the decedent was not a resident, any
10 part of the property within this state, except property exempted by
11 the provisions of Chapter 77, article 20, shall be subject to tax at
12 the rates prescribed by sections 77-2004 to 77-2006.

13 Sec. 2. Section 77-2002, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 77-2002 (1) ~~Any~~ For decedents dying before January 1,
16 2015, any interest in property whether created or acquired prior or
17 subsequent to August 27, 1951, shall be subject to tax at the rates
18 prescribed by sections 77-2004 to 77-2006, except property exempted
19 by the provisions of Chapter 77, article 20, if it shall be
20 transferred by deed, grant, sale, or gift, in trust or otherwise,
21 and: (a) Made in contemplation of the death of the grantor; (b)
22 intended to take effect in possession or enjoyment, after his or her
23 death; (c) by reason of death, any person shall become beneficially
24 entitled in possession or expectation to any property or income
25 thereof; or (d) held as joint owners or joint tenants by the decedent

1 and any other person in their joint names, except such part thereof
2 as may be shown to have originally belonged to such other person and
3 never to have been received or acquired by the latter from the
4 decedent for less than an adequate and full consideration in money or
5 property, except that when such property or any part thereof, or part
6 of the consideration with which such property was acquired, is shown
7 to have been at any time acquired by such other person from the
8 decedent for less than an adequate and full consideration in money or
9 property, there shall be excepted only such part of the value of such
10 property as is proportionate to the consideration furnished by such
11 other person or, when any property has been acquired by gift,
12 bequest, devise, or inheritance by the decedent and any other person
13 as joint owners or joint tenants and their interests are not
14 otherwise specified or fixed by law, then to the extent of the value
15 of a fractional part to be determined by dividing the value of the
16 property by the number of joint owners or joint tenants.

17 (2) For the purpose of subsection (1) of this section, if
18 the decedent, within a period of three years ending with the date of
19 his or her death, except in the case of a bona fide sale for an
20 adequate and full consideration for money or money's worth,
21 transferred an interest in property for which a federal gift tax
22 return is required to be filed under the provisions of the Internal
23 Revenue Code, such transfer shall be deemed to have been made in
24 contemplation of death within the meaning of subsection (1) of this
25 section; no such transfer made before such three-year period shall be

1 treated as having been made in contemplation of death in any event.

2 Sec. 3. Original sections 77-2001 and 77-2002, Reissue

3 Revised Statutes of Nebraska, are repealed.