

## LEGISLATIVE BILL 125

Approved by the Governor February 12, 1987

Introduced by Miller, 37

AN ACT relating to revenue and taxation; to amend sections 77-2018.04 and 77-2018.05, Reissue Revised Statutes of Nebraska, 1943; to change a provision relating to inheritance tax deductions; to harmonize provisions; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 77-2018.04, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-2018.04. In all proceedings for the determination of inheritance tax, the following deductions from the value of the property subject to Nebraska inheritance taxation shall be allowed to the extent paid from, chargeable to, ~~or~~ paid, payable, or expected to become payable with respect to property subject to Nebraska inheritance taxation:

(1) The cost of the funeral of the decedent, including costs for interment and gravesite marker;

(2) All expenses of administration which accrue as a result of the death of the decedent, including, but not limited to, attorney's fees, court costs, and expenses concerning property not subject to probate;

(3) All expenses of the last illness of the decedent which were incurred within six months of the death of the decedent;

(4) All other debts upon which the decedent was liable for payment at the date of his or her death and which have been paid; and

(5) Any federal estate tax paid, payable, or expected to become payable, after deduction of all applicable credits, which is attributable to property subject to Nebraska inheritance taxation.

Sec. 2. That section 77-2018.05, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-2018.05. Notwithstanding the provisions of sections 77-2008-01, 77-2008-03, and 77-2009 sections 77-2001 to 77-2039, the court shall have the authority, upon the written application of any of the parties

subject to the tax imposed under such sections, to determine a final inheritance tax on any property devised, bequeathed, or otherwise transferred, based upon the probabilities at the time of the decedent's death rather than taxing the property at the rates specified in such sections.

Sec. 3. That original sections 77-2018.04 and 77-2018.05, Reissue Revised Statutes of Nebraska, 1943, are repealed.