

**House Bill 5503**

**Sponsor: Rep. James McNutt**

**Committee: Tax Policy**

**Complete to 2-20-98**

**A SUMMARY OF HOUSE BILL 5503 AS INTRODUCED 1-27-98**

The bill would amend the Michigan Estate Tax Act, effective January 1, 1998, in the following ways:

- The estate tax is equal to the maximum allowable federal credit under the Internal Revenue Code for estate, inheritance, legacy, and succession taxes paid to the states. The act refers to the Internal Revenue Code in effect on January 1, 1993; the bill would change this reference to the IRC in effect on November 1, 1997, or, at the option of the personal representative of the estate, the IRC provisions in effect at the time of the decedent's death.

- The bill would specify that interest on refunds would accrue as provided under the Revenue Act.

- The bill would require the Department of Treasury to prepare the required discharge of liability form (basically, a receipt for payment of the tax) in a form recordable by the register of deeds. Likewise, the required release of lien waiver issued after payment of taxes would have to be in a form recordable by the register deeds.

- The department would be require to issue the certificate of nonliability (showing no tax is owed) to the personal representative's legal representative, if so requested.

Analyst: D. Martens

---

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.