

GENERAL ASSEMBLY OF NORTH CAROLINA
1985 SESSION

CHAPTER 822
HOUSE BILL 1467

AN ACT TO ADJUST THE INHERITANCE TAX FILING THRESHOLD IN ACCORDANCE WITH INCREASES IN THE CLASS A INHERITANCE TAX CREDIT, AND TO MAKE CONFORMING CHANGES TO INHERITANCE TAX STATUTES NECESSITATED BY EXCLUDING TRANSFERS TO THE SURVIVING SPOUSE FROM TAX.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-22 is amended by rewriting the second sentence of that section to read:

"The clerk shall make no report of a death if no inheritance tax return is required to be filed for the decedent's estate under G.S. 105-23 because the estate meets the requirements of subsection (b) of that section."

Sec. 2. G.S. 105-23 is amended by deleting the last paragraph of that section, designating the remainder of that section as subsection (a) with the heading "Return Required.", and adding a new subsection to read:

"(b) Exception. An inheritance tax return is not required to be filed for an estate (i) whose beneficiaries are all either Class A beneficiaries, as described in G.S. 105-4(a), or the surviving spouse, and (ii) whose gross value, including the value of transfers over which the decedent retained an interest and the value of gifts made within three years before the decedent's death, as provided in G.S. 105-2(3), is less than the amount specified in the following table:

Estates of Decedents Dying On or After	Gross Value of Estates
July 1, 1985	\$100,000
August 1, 1985	75,000
July 1, 1986	150,000
January 1, 1987	250,000."

Sec. 3. G.S. 28A-21.2(a) is amended by rewriting the second sentence of that section to read:

"If no inheritance tax return was required to be filed for the estate under G.S. 105-23 because the estate met the requirements of subsection (b) of that section, the personal representative or collector shall so certify in the final account filed with the clerk of superior court."

Sec. 4. G.S. 105-24 is amended by deleting the second sentence of the second paragraph of that section and by adding a new sentence at the end of the second paragraph of that section to read:

"If the person entitled to funds in an account is the surviving spouse and the account is a joint account of the surviving spouse and the decedent with right of survivorship, no tax waiver is required from the Secretary of Revenue to release the funds in the account."

Sec. 5. This act shall become effective July 1, 1986, and shall apply to the estates of decedents dying on or after that date.

In the General Assembly read three times and ratified, this the 27th day of June, 1986.