

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

The meeting was called to order by Senator Paul "Bud" Burke at
Chairperson

11:00 a.m./p.m. on January 18, 1983 in room 526-S of the Capitol.

All members were present ~~except~~:

Committee staff present: Wayne Morris, Research Dept.
Tom Severn, Research Dept.
Don Hayward, Revisor's Office

Conferees appearing before the committee: Jim Weisgerber, Inheritance Tax Attorney,
Dept. of Revenue

The chairman called on Jim Weisgerber to explain the provisions of SB 15 and SB 16.

Mr. Weisgerber described SB 15 which deals with gifts made in contemplation of death and noted the only change is by the addition of a subsection (c) stating that any gift being made after December 31, 1982 of \$10,000 or less will not be recaptured into a decedent's estate.

Senator Allen moved and Senator Thiessen seconded a motion to report SB 15 favorable for passage. The motion passed.

Mr. Weisgerber noted that SB 16 deals with the area of special use valuation. He said it is a very complex law and that most of the amendments made by the interim committee were aimed at conformity with changes in the new federal law (ERTA). He outlined these amendments for the committee.

There was a question of how setting up a trust would be affected by the provisions of this bill. The Revisor's Office will be checking further on this.

Senator Johnston moved to amend SB 16 on page 1, line 36, concerning the retroactivity of the amount aggregate decrease in the value of qualified real property. After discussion, Senator Johnston withdrew his motion.

Senator Allen moved and Senator Montgomery seconded a motion to report SB 16 favorable for passage. The motion passed.

Senator Kerr called the committee's attention to some major problems which may be created by a Supreme Court ruling with reference to the situs of sales for purpose of the local option sales tax.

Senator Burke adjourned the meeting at 12 noon.

