

SENATE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Bruce E. Tarr

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to modernizing the estate tax.

PETITION OF:

NAME:

Bruce E. Tarr

DISTRICT/ADDRESS:

First Essex and Middlesex

SENATE No.

[Pin Slip]

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 1946 OF 2023-2024.]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Fourth General Court
(2025-2026)**

An Act relative to modernizing the estate tax.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1 Section 2A of chapter 65C of the General Laws, as so appearing, is hereby
2 amended by striking out subsection (a) and inserting in place the following subsection:-

3 (a) A tax is hereby imposed upon the transfer of the estate of each person dying on or
4 after January 1, 1997, who, at the time of death, was a resident of the commonwealth. The
5 amount of the tax shall be equal to the credit for state death taxes that would have been allowable
6 to a decedent’s estate as computed under Code section 2011, as in effect on December 31, 2000,
7 hereinafter referred to as the “credit”. In the event that the federal gross estate of a person
8 includes real or tangible personal property located outside of Massachusetts at the time of death,
9 the tax shall be reduced by an amount equal to the proportion of such allowable credit as the
10 value of said real or tangible personal property located outside of Massachusetts bears to the

11 value of the entire federal gross estate wherever situated, as determined under Code section
12 2011, as in effect on December 31, 2000.

13 SECTION 2. Said section 2A of said chapter 65C, as so appearing, is hereby further
14 amended by adding the following subsections:-

15 (f) Effective for the estates of decedents dying on or after July 1, 2024, for purposes of
16 computing the tax imposed by subsections (a) and (b), the credit shall be determined based on
17 the value of the federal taxable estate after such estate is reduced by \$5,000,000. Estates of
18 decedents dying on or after July 1, 2022, are not required to pay any tax under subsections (a)
19 and (b) if the value of the federal taxable estate is \$5,000,000 or less. For purposes of this
20 subsection, the federal taxable estate is the federal gross estate less any Qualified Conservation
21 Exclusion elected under Code section 2031(c), as in effect on December 31, 2000, and further
22 reduced by the deductions allowable by the Code, as in effect on December 31, 2000.

23 (g) the amount in question for affected estates of decedents dying on or after July 1, 2024,
24 shall be adjusted annually to reflect the aggregate quarterly change in salaries and wages in the
25 commonwealth for the most recent 4 quarters as determined by the Bureau of Economic Analysis
26 in the United States Department of Commerce

27 SECTION 3. Sections 1 and 2 shall take effect for the estates of decedents dying on or
28 after July 1, 2024.