

A Bill for an Act Relating to Inheritance, Estate Taxes.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 236-11, Hawaii Revised Statutes, is amended to read:  
**“§236-11 Reciprocal provision.** The tax imposed by this chapter in respect of personal property (except tangible personal property having an actual situs in the State[ ]) and the beneficial interest in a land trust within the purview of chapter 558) shall not be payable (1) if the decedent at the time of his death was a resident of a state or territory of the United States, or of any foreign country, which at the time of his death did not impose a transfer tax or death tax of any character in respect of personal property of residents in the State (except tangible personal property having an actual situs in such state or territory or foreign country[ ]) and a beneficial interest in land trusts under chapter 558); or (2) if the laws of the state, territory, or country of residence of the decedent at the time of his death contained a reciprocal exemption provision under which nonresidents were exempted from transfer taxes or death taxes of every character in respect of personal property (except tangible personal property having an actual situs therein[ ]) and a beneficial interest in land trusts under chapter 558); provided the state, territory, or country of residence of such nonresident allowed a similar exemption to residents of state, territory, or country of residence of such decedent. For the purposes of this section the District of Columbia and Puerto Rico shall be considered territories of the United States.

The terms “foreign country” and “country” as used herein mean both any foreign country and any political subdivision thereof and either of them in which the decedent was domiciled at the time of his death. For the purposes of this section, intangible personal property means incorporeal property, including money, deposits in banks, mortgages, debts, receivables, shares of stock, bonds, notes, credits, evidences of an interest in property, and evidences of debt[.]; but does not include a beneficial interest in land trusts under chapter 558.”

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored.

SECTION 3. This Act, upon its approval, shall apply to taxable years beginning after December 31, 1981.

(Approved May 26, 1982.)