

A Bill for an Act Relating to Inheritance Tax.

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

SECTION 1. Section 236-5, Hawaii Revised Statutes, is amended to read as follows:

“§236-5 Rates; exempt amount. (a) When the beneficial interest in any property or income therefrom passes as above provided to or for the use of decedent's surviving spouse, the rate of tax and the tax thereon shall be at the following percentage rate of the market value of the property, received by such person in excess of [\$100,000] \$300,000 viz.:

**SURVIVING SPOUSE**

(A)	(B)	(C)	(D)
Taxable Value Equal to Or More Than —	But Taxable Value Less Than —	Tax on Amount In Col. (A)	Plus Rate of Tax on Excess Over Amount In Col. (A)
\$ 0	\$ 25,000	\$ 0	2%
25,000	100,000	500	3%
100,000	200,000	2,750	5%
200,000	....	7,750	7%

(b) When the beneficial interest in any property or income therefrom passes as above provided to or for the use of decedent's father, mother, child, grandchild, or any child adopted as such in conformity with the laws of the State, the rate of the tax and the tax thereon shall be at the following percentage rate of the market value of the property, received by each person in excess of [\$50,000,] \$150,000, viz.:

**DIRECT LINE BENEFICIARY**

(A)	(B)	(C)	(D)
Taxable Value Equal to Or More Than —	But Taxable Value Less Than —	Tax on Amount In Col. (A)	Plus Rate of Tax on Excess Over Amount In Col. (A)
\$ 0	\$ 25,000	\$ 0	3%
25,000	75,000	750	5%
75,000	150,000	3,250	7%
150,000	....	8,500	8%

(c) In all other cases<sup>1</sup> the rate of tax on the market value of the property and the tax thereon in excess of \$5,000 shall be as follows, viz.:

**ALL OTHER BENEFICIARIES**

(A)	(B)	(C)	(D)
Taxable Value Equal to Or More Than —	But Taxable Value Less Than —	Tax on Amount In Col. (A)	Plus Rate of Tax on Excess Over Amount In Col. (A)
\$ 0	\$ 20,000	\$ 0	3%
20,000	70,000	600	6%
70,000	145,000	3,600	8%
145,000	. . . .	9,600	10%

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 Statutory material to be repealed is bracketed.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

SECTION 3. This Act, upon its approval, shall apply only to property or interests subject to an inheritance tax under chapter 236, Hawaii Revised Statutes, that passes from a person who dies after December 31, 1981.

(Approved May 14, 1982.)

**Notes**

1. Prior to amendment, a comma appeared here.