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UNITED STATES CODE ANNOTATED
TITLE 26. INTERNAL REVENUE CODE
SUBTITLE B--ESTATE AND GIFT TAXES
CHAPTER 11--ESTATE TAX
SUBCHAPTER A--ESTATES OF CITIZENS OR RESIDENTS
PART II--CREDITS AGAINST TAX
§ 2010. Unified credit against estate tax

(a) General rule.--A credit of the applicable credit amount shall be allowed to the estate of every decedent against the tax imposed by section 2001.

(b) Adjustment to credit for certain gifts made before 1977.--The amount of the credit allowable under subsection (a) shall be reduced by an amount equal to 20 percent of the aggregate amount allowed as a specific exemption under section 2521 (as in effect before its repeal by the Tax Reform Act of 1976) with respect to gifts made by the decedent after September 8, 1976.

(c) Applicable credit amount.--For purposes of this section, the applicable credit amount is the amount of the tentative tax which would be determined under the rate schedule set forth in section 2001(c) if the amount with respect to which such tentative tax is to be computed were the applicable exclusion amount determined in accordance with the following table:

In the case of estates of decedents dying during:	The applicable exclusion amount is:
2002 and 2003	\$1,000,000
2004 and 2005	\$1,500,000
2006, 2007, and 2008	\$2,000,000
2009	\$3,500,000.

(d) Limitation based on amount of tax.--The amount of the credit allowed by subsection (a) shall not exceed the amount of the tax imposed by section 2001.

CREDIT(S)

(Added Pub.L. 94-455, Title XX, § 2001(a)(2), Oct. 4, 1976, 90 Stat. 1848, and amended Pub.L. 97-34, Title IV, § 401(a)(1), (2)(A), Aug. 13, 1981, 95 Stat. 299; Pub.L. 101-508, Title XI, §§ 11801(a)(39), (c)(19)(A), Nov. 5, 1990, 104 Stat. 1388-521, 1388-528; Pub.L. 105-34, Title V, §§ 501(a)(1)(A), (B), Aug. 5, 1997, 111 Stat. 845; Pub.L. 107-16, Title V, § 521(a), June 7, 2001, 115 Stat. 71.)

TERMINATION OF AMENDMENTS

<For provisions directing that amendments by Pub.L. 107-16 not apply to years after 2010, see Sunset Provisions set out under this section.>

HISTORICAL AND STATUTORY NOTES

Revision Notes and Legislative Reports

1976 Acts. House Report Nos. 94-658, 94-1380, Senate Report No. 94-938, and House Conference Report No. 94-1515, see 1976 U.S. Code Cong. and Adm. News, p. 2897.

1981 Acts. Senate Report No. 97-144, House Conference Report No. 97-215, and Statements by Legislative Leaders, see 1981 U.S. Code Cong. and Adm. News, p. 105.

1990 Acts. House Report No. 101-881 and House Conference Report No. 101- 964, see 1990 U.S. Code Cong. and Adm. News, p. 2017.

1997 Acts. House Report No. 105-148, Senate Report No. 105-33, House Conference Report No. 105-220, and Statement by President, see 1997 U.S. Code Cong. and Adm. News, p. 678.

2001 Acts. House Conference Report No. 107-84, see 2001 U.S. Code Cong. and Adm. News, p. 46.

References in Text

The Tax Reform Act of 1976, referred to in subsec. (b), is Pub.L. 94-455, Oct. 4, 1976, 90 Stat. 1520. For complete classification of this Act to the Code, see Tables.

Section 2521 of this title, referred to in subsec. (b), was repealed by section 2001(b)(3) of Pub.L. 94-455, applicable to gifts made after Dec. 31, 1976.

Amendments

2001 Amendments. Subsec. (c). Pub.L. 107-16, § 521(a), temporarily rewrote the table in subsec. (c), which formerly read:

"In the case of estates of decedents dying, and gifts made, during:	The applicable exclusion amount is:
1998	\$ 625,000
1999	\$ 650,000
2000 and 2001	\$ 675,000
2002 and 2003	\$ 700,000
2004	\$ 850,000
2005	\$ 950,000
2006 or thereafter	\$1,000,000."

See Effective and Applicability Provisions, 2001 Acts, and Sunset Provisions set out under this section.

1997 Amendments. Subsec. (a). Pub.L. 105-34, § 501(a)(1)(A), substituted "the applicable credit amount" for "\$192,800".

Subsecs. (c), (d). Pub.L. 105-34, § 501(a)(1)(B), added subsec. (c) and redesignated former subsec. (c) as (d).

1990 Amendments. Subsec. (b). Pub.L. 101-508, § 11801(a)(39), struck out subsec. (b), which provided for a phase-in of the unified credit against estate tax.

Subsecs. (b) to (d). Pub.L. 101-508, § 11801(c)(19)(A), redesignated former subsecs. (c) and (d) as subsecs. (b) and (c), respectively.

1981 Amendments. Subsec. (a). Pub.L. 97-34, § 401(a)(1), substituted "\$192,800" for "\$47,000".

Subsec. (b). Pub.L. 97-34, § 401(a)(2)(A), deleted from subsec. (b) heading "\$47,000" preceding "credit" and in text prescribed subsec. (a) substitutions for "\$192,800" amount of "\$62,800", "\$79,300", "\$96,300", "\$121,800", and "\$155,800" in the case of decedents dying in 1982, 1983, 1984, 1985, and 1986, respectively; and struck out subsec. (a) substitutions for "\$47,000" amounts of "\$30,000", "\$34,000", "\$38,000", and "\$42,500" in the case of decedents dying in 1977, 1978, 1979, and 1980, respectively.

Effective and Applicability Provisions

2001 Acts. Pub.L. 107-16, Title V, § 521(e), June 7, 2001, 115 Stat. 72, provided that:

"(1) **In general.**--Except as provided in paragraphs (2) and (3) [of this note], the amendments made by this section [amending this section and sections 2057, 2505, and 2631 of this title] shall apply to estates of decedents dying, and gifts made, after December 31, 2001.

"(2) **Subsection (b) (2)**--The amendments made by subsection (b)(2) [amending section 2505(a)(1) of this title] shall apply to gifts made after December 31, 2009.

"(3) **Subsections (c) and (d)**--The amendments made by subsections (c) and (d) [amending sections 2057 and 2631 of this title] shall apply to estates of decedents dying, and generation-skipping transfers, after December 31, 2003." [See also Sunset Provisions note set out under this section.]

1997 Acts. Amendment by section 501(a)(1)(A), (B) of Pub.L. 105-34 applicable to the estates of decedents dying, and gifts made, after Dec. 31, 1997, see section 501(f) of Pub.L. 105-34, as amended, set out as a note under 26 U.S.C.A. § 2001.

1990 Acts. Amendment by Part I (§§ 11801 to 11816) of Subtitle H of Title XI of Pub.L. 101-508 to take effect on Nov. 5, 1990, except as otherwise provided, see section 11821(a) of Pub.L. 101-508, set out as a note under 26 U.S.C.A. § 29.

1981 Acts. Section 401(c)(1) of Pub.L. 97-34 provided that: "The amendments made by subsection (a) [amending this section and section 6018 of this title] shall apply to the estates of decedents dying after December 31, 1981".

1976 Acts. Section applicable to estates of decedents dying after Dec. 31, 1976, see section 2001(d)(1) of Pub.L. 94-455, set out in Editorial Notes under 26 U.S.C.A. § 2001.

Sunset Provisions

All provisions of, and amendments made by, the Economic Growth and Tax Relief Reconciliation Act of 2001, Pub.L. 107-16, June 7, 2001, 115 Stat. 38, not applicable to taxable, plan, or limitation years beginning after December 31, 2010, or to estates of decedents dying, gifts made, or generation skipping transfers, after December 31, 2010, and the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 to be applied and administered to those years, estates, gifts, and transfers as if the provisions and amendments of that Act had never been enacted, see section 901 of Pub.L. 107-16, set out as a note under 26 U.S.C.A. § 1.

Savings Provisions

If any provision amended or repealed by sections 11801 to 11821 of Pub.L. 101-508 applied to (A) transactions occurring before Nov. 5, 1990, (B) property acquired before Nov. 5, 1990, or (C) any item of income, loss, deduction, or credit taken into account before Nov. 5, 1990, and the treatment of such transaction, property, or item under such provision would (without regard to the amendment made by sections 11801 to 11821 of Pub.L. 101-508) affect liability for tax periods ending after Nov. 5, 1990, nothing in such amendments to be construed to affect tax liability for tax periods ending after Nov. 5, 1990, see section 11821(b) of Pub.L. 101-508, set out as a note under 26 U.S.C.A. § 29.

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