

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1407

H. P. 1145

House of Representatives, March 22, 1979

On Motion of Mrs. Post of Owl's Head, referred to the Committee on Taxation.
Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Twitchell of Norway.

Cosponsor: Mrs. Post of Owl's Head.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT Relating to Gifts in Contemplation of Death.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 36 MRSA § 3470, first sentence, is amended to read:

Any deed, grant or gift completed inter vivos, **prior to January 1, 1977**, except in cases of bona fide purchase for full consideration in money or money's worth, made not more than 6 months prior to the death of the grantor or donor, shall prima facie be deemed to have been made in contemplation of the death of the grantor or donor.

Sec. 2. 36 MRSA § 3471 is enacted to read:

§ 3471. Transfer in contemplation of death

Any deed, grant or gift, including any federal gift tax paid by the grantor or donor completed inter vivos, except in cases of bona fide purchase for full consideration in money or money's worth, made after December 31, 1976 and within 2 years prior to the death of the grantor or donor, shall be deemed to have been made in contemplation of the death of the grantor or donor. Notwithstanding any provision of section 3461, no deed, grant or gift made more than 2 years prior

to the death of the grantor or donor shall be subject to a tax hereunder unless made or intended to take effect in possession or enjoyment after the death of the grantor or donor.

STATEMENT OF FACT

This bill would provide continuity between state and federal law as it relates to the inclusion of gifts in an estate on relatively the same basis. It is estimated that enactment of this bill would increase General Fund revenue by \$50,000 for fiscal year 1979-80 and by \$50,000 for fiscal year 1980-81.