

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 446

Short Title: Raise Gift Tax Exemption.

(Public)

Sponsors: Representative Brawley.

Referred to: Finance.

April 1, 1991

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE GIFT TAX LIFETIME EXEMPTION FOR GIFTS TO
CLASS A DONEES FROM \$100,000 TO \$500,000.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-188(g) reads as rewritten:

"(g) A donor shall be entitled to a total exemption of ~~one hundred thousand dollars~~
~~(\$100,000)~~ five hundred thousand dollars (\$500,000) to be deducted from gifts made to
donees named in subdivision (1) of subsection (f), less the sum of amounts claimed and
allowed as an exemption in prior calendar years. The exemption, at the option of the
donor, may be taken in its entirety in a single year, or may spread over a period of years.
When this exemption has been exhausted, no further exemption is allowable. When the
exemption or any portion thereof is applied to gifts to more than one donee in any one
calendar year, said exemption shall be apportioned against said gifts in the same ratio as
the gross value of the gifts to each donee is to the total value of said gifts in the calendar
year in which said gifts are made. No exemption shall be allowed to a donor for gifts
made to donees named in subdivisions (2) and (3) of subsection (f)."

Sec. 2. This act becomes effective July 1, 1991, and applies to gifts or
transfers made on or after that date.