

## "Death Tax" Repeal Clears State House

**MAY 19, 2017** – A bill that would repeal the state Estate Tax cleared the House of Representatives on a contested vote late Thursday afternoon.

[House Bill 16](#), sponsored by [State Rep. Mike Ramone](#), R-Pike Creek South, would abolish the "death tax" for decedents passing away after December 31, 2017.

In [a report](#) filed two years ago, a special committee formed by then Gov. Jack Markell to examine state revenue sources, recommended doing away with the Estate Tax. The tax only affects estates with a current total value of more than \$5.49 million. The committee concluded that people with such assets had the resources to avoid the tax by claiming residency in another state -- the repercussion of which would be that the state would also lose the personal income tax these wealthy Delawareans pay annually.

Discussing the bill on the House floor, Rep. Ramone told his colleagues that he believed many of the people that registered as residents elsewhere to avoid the tax would redomicile here once it was repealed. "I honestly believe that we will have a very positive impact on our income tax revenue three to five years after this [repeal] is enacted," he said.

The bill now heads to a Senate committee for consideration.