

10 A Resolution Concerning

20 **THE ABOLITION OF THE ESTATE TAX IN MARYLAND**

30 **WHEREAS:** The great State of Maryland is only one of two states that have income  
40 taxes, inheritance taxes and estate taxes at the state level; and,

50 **WHEREAS:** A Federal Estate tax exists; and,

60 **WHEREAS:** All assets and estates were once income and thus have already been  
70 taxed under income tax laws; and,

80 **WHEREAS:** The estate tax is a tax levied on any estate valued at one million  
90 dollars or more when the estate holder dies; and,

100 **WHEREAS:** The inheritance tax is a tax levied on descendants who receives any  
110 portion of an estate that was willed to them; and,

120 **WHEREAS:** This tax structure is confusing to both residents of the State of  
130 Maryland and property-owning non-residents; and,

140 **WHEREAS:** The estate tax is levied on Maryland residents for property held both  
150 in and out of Maryland; and,

160 **WHEREAS:** The estate tax is levied on the property of non-Maryland-residents  
170 that is located in the State of Maryland; and,

180 **WHEREAS:** QTIP gifting, which is a Qualified Terminable Interest Property Trust  
190 that allows the deceased to continue to provide for their spouse but  
200 leave much of their estate to their children; and,

210 **WHEREAS:** The QTIP options allow some transfer of estate to future generations  
220 they can severely limit the financial stability of the spouse; and,

230 **WHEREAS:** Structured giving options are available but they are complicated when  
240 applied to family businesses, farms, and other property of that nature;  
250 and,

260 **WHEREAS:** The current rates often require the sale of family farms, businesses, or  
270 other family investments in order to pay the estate tax; and,

280 **WHEREAS:** The current timeframe for the taxes to be paid rarely allows for time  
290 required for a business, farm or other investment to be sold at current  
300 market value, thus hurting the families of the deceased more because  
310 they rarely receive the full value of their investment;

320    **THEREFORE BE IT RESOLVED:** The Maryland Student Legislature urges the great  
State of Maryland to remove  
330                                   any and all estate taxes from the tax code of the State of Maryland.

340    **MANDATES:**  
350    Governor Martin O'Malley  
360    Lt. Governor Anthony Brown  
370    Senator Allan Kittleman, Senate Minority Leader  
380    Senator Nancy Jacobs, Senate Minority Whip

Sponsor:  
Marcella Morris  
University of Maryland, College Park  
Tory Caucus Whip