

**SB 32 STAFF MEASURE SUMMARY**

**Senate Committee On Finance and Revenue**

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**Prepared By:** Christine Broniak, Economist

**Meeting Dates:** 2/7

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**WHAT THE MEASURE DOES:**

Provides for imposition of either penalty for failure to pay estate tax when due or penalty for initial failure to file estate tax return when due.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

**BACKGROUND:**

For other tax programs such as personal income tax, withholding tax, and corporate tax the five-percent penalty applies only once. There is a five-percent failure-to-file penalty or a five-percent failure-to-pay penalty, but not both. The ability of the inheritance program to assert two penalties is inconsistent with other tax programs.