

## **POSITION PAPER: PERMANENT REPEAL OF THE DEATH TAX**

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### **The American Supply Association Supports Permanent Repeal of the Death Tax.**

- Legislative efforts continue in the Congress to permanently repeal the death tax.
- The House has passed permanent repeal numerous times over the past decade, but the legislation has always failed in the Senate.
- Unless Congress takes action, beginning in 2011:
  - The death tax will rise from zero to 55 percent, and
  - The size of estates exempt from taxation will fall to its 2002 level of one million dollars.
- Various attempts to include “permanent repeal” language in other tax bills have been unsuccessful.
- Given the political realities, and absent permanent repeal, ASA supports a meaningful compromise. One example -- estates worth as much as \$5 million (\$10 million for couples) would be exempt from taxation; the tax rate on estates worth more than the exemption level up to \$25 million would be set at the same tax rates that apply to capital gains -- now 15 percent but scheduled to rise to 20 percent in 2011. The rate for estates worth more than \$25 million would be twice the capital gains rate.

*ASA is a member of the [Family Business Estate Tax Coalition](#) and [Tax Relief Coalition](#).*

