

140.095 Credit in case same property passes again within five years.

- (1) As used in this section the word "transfer" means a taxable transfer under the provisions of KRS Chapter 140.
- (2) Subject to the provisions of this section, any person to whom property is transferred shall be allowed a credit against the tax imposed by KRS 140.070, if the property was transferred to the immediate decedent within five (5) years prior to the death of the immediate decedent and a tax paid on the prior transfer under the provisions of KRS Chapter 140. To be entitled to such tax credit, the person claiming it shall identify the property as having been so transferred and taxed or identify the property as having been acquired in exchange for property so transferred and taxed.
- (3) The tax credit shall be computed by allocating to that part of the previously taxed property, which is the subject of the immediate transfer, the proportionate part of the tax paid on the prior transfer as the present value of the previously taxed property transferred to the immediate beneficiary or distributee bears to the total present value of all the property received by the immediate decedent from the prior decedent which is transferred to all the immediate beneficiaries or distributees. Provided, however, that the tax credit shall not exceed an amount equal to such proportion of the total tax due on all property transferred to the immediate beneficiary or distributee from the immediate decedent (computed before any tax credit is applied) as the present value of the previously taxed property transferred to the immediate beneficiary or distributee from the immediate decedent bears to the present value (including any exemption allowed) of all property transferred to the immediate beneficiary or distributee from the immediate decedent. If the estate of the immediate decedent consists in part of property not previously transferred and taxed as described in subsection (2), it shall be presumed for the purpose of this subsection, unless the contrary clearly appears, that each distributive share of the entire estate includes the same proportion of the previously taxed property as the entire value of each share bears to the aggregate value of all the entire shares.

History: Created 1948 Ky. Acts ch. 96, sec. 5.