

Arrington Introduces Bill to Amend IRS Code to Reduce Rate of Tax on Estates, Gifts, and Generation-Skipping Transfers

H.R. 601 was introduced on January 22 and Referred to House Ways and Means, Budget Committees; Democrat Rep. Sanford D. Bishop (D-GA) is Co-Sponsor

WASHINGTON, DC, UNITED STATES, January 29, 2025 /EINPresswire.com/ -- House Member Rep. Jodey C. Arrington (R-TX) has introduced a bill to amend the Internal Revenue Service code of 1986 to reduce the rate of taxation on estates, gifts, and generation-skipping transfers.



The proposed amendment, H.R. 601, was referred to the Committee on Ways and Means and to the Committee on the Budget for review.

The amendment is receiving bipartisan House support with co-sponsor Rep. Sanford D. Bishop (D-GA).

The timing for consideration for the proposed amendment will be determined by the Speaker of the House, Rep. Mike Johnson (R-LA), and in each case the provisions of the amendment fall within the jurisdiction of each committee. The amendment was introduced on January 22, 2025.

The amendment comes at a time when the Trump Administration and Congress are reviewing changes and extensions to the [Tax Cuts and Job Act \(TCJA\)](#) of 2017, which expires at the end of this year.

In [TCJA](#), the modified IRS tax code doubled the federal estate, gift, and generation-skipping transfer tax exemption from \$5.5 million per person to \$11.2 million in 2018.

Since then, the exemption has increased to its current level of \$13.6 million per person. However, if changes are not made by Congress to the tax code the TCJA provisions will reset the

Estate Tax, often referred as the “Death Tax,” to approximately \$7 million, when it is indexed to inflation.

Without changes to the tax code, any estate, gift, or generation-skipping transfers that exceeds the exemption amount will be taxed at the federal level of 40%, with some states additionally taxing those amounts up to 16%.

With the introduction of H.R. 601 the rate of gift, estate and generation-skipping tax would be about the same rate as that of capital gains. So, if a business had to be sold to pay the estate tax, it would be somewhat equivalent to paying the same rate of tax if the business was sold during life.

[“We applaud Rep. Arrington’s proposed amendment and other extensions](#) to the Tax Cut and Jobs Act that will significantly help family businesses remain healthy and keep their hard-earned savings and business investments,” said Pat Soldano, President of the Policy and Taxation Group and Family Enterprise USA, advocates for family businesses, family offices, and successful individuals. “We see this amendment to the Estate Tax exemption as vital to keeping America’s number one private employer strong and healthy from generation to generation,” she said.

America’s multi-generational family-owned businesses contribute \$7.7 trillion annually to the U.S. gross domestic product, according to research. Family businesses are the largest private employers in the country, accounting for 83.3 million jobs, or 59 percent of the country’s private workforce, research shows.

About Policy and Taxation Group

Policy and Taxation Group is the voice of successful individuals, family offices, and family businesses in Washington, D.C., focused exclusively on the critical tax and economic issues that impact them. Policy and Taxation Group is a 501(c)(4) organization comprised solely of families directly or indirectly impacted by these harmful taxes and regulations. For more information and support go to policyandtaxationgroup.com.

About Family Enterprise USA

Family Enterprise USA promotes generationally owned family business creation, growth, viability, and sustainability by advocating for family businesses and their lifetime of savings with Congress in Washington DC. Since 2007, Family Enterprise USA has represented and celebrated all sizes, professions, and industries of family-owned enterprises and multi-generational employers. It is a bipartisan 501.c3 organization. www.familyenterpriseusa.com

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