

#### **140.110 Taxation of contingent and defeasible estates.**

- (1) In the case of estates in expectancy which are contingent or defeasible, a tax shall be levied at the rate which, on the happening of the most probable contingencies or conditions named in the will, deed, trust agreement, contract, insurance policy, or other instrument, would be applicable under the provisions of this chapter. Moneys so collected shall be distributed as are other inheritance tax funds. If the property so taxed shall ultimately vest in possession in persons taxable at a lower rate, or in a person or a corporation exempt from taxation by this chapter, upon application by such beneficiary to the Department of Revenue for refund of any excess tax, the Department of Revenue, after investigation, shall certify to the Finance and Administration Cabinet the amount of such refund. The Finance and Administration Cabinet shall refund such excess payment of tax in the same manner as other refunds are made.
- (2) Where an estate or interest can be divested by the act or omission of the legatee or devisee, it shall be taxed as if there were no possibility of divesting.

**Effective:** June 20, 2005

**History:** Amended 2005 Ky. Acts ch. 85, sec. 456, effective June 20, 2005. -- Amended 1948 Ky. Acts ch. 96, sec. 10. -- Amended 1942 Ky. Acts ch. 204, sec. 6. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. secs. 4281a-23, 4281a-24.