

Amendment by section 1014(g)(4), (18) of Pub. L. 100-647 effective, except as otherwise provided, as if included in the provision of the Tax Reform Act of 1986, Pub. L. 99-514, to which such amendment relates, see section 1019(a) of Pub. L. 100-647, set out as a note under section 1 of this title.

EFFECTIVE DATE

Section applicable to generation-skipping transfers (within the meaning of section 2611 of this title) made after Oct. 22, 1986, except as otherwise provided, see section 1433 of Pub. L. 99-514, set out as a note under section 2601 of this title.

**Subchapter F—Other Definitions and Special Rules**

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2651.	Generation assignment.
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**§ 2651. Generation assignment**

**(a) In general**

For purposes of this chapter, the generation to which any person (other than the transferor) belongs shall be determined in accordance with the rules set forth in this section.

**(b) Lineal descendants**

**(1) In general**

An individual who is a lineal descendant of a grandparent of the transferor shall be assigned to that generation which results from comparing the number of generations between the grandparent and such individual with the number of generations between the grandparent and the transferor.

**(2) On spouse's side**

An individual who is a lineal descendant of a grandparent of a spouse (or former spouse) of the transferor (other than such spouse) shall be assigned to that generation which results from comparing the number of generations between such grandparent and such individual with the number of generations between such grandparent and such spouse.

**(3) Treatment of legal adoptions, etc.**

For purposes of this subsection—

**(A) Legal adoptions**

A relationship by legal adoption shall be treated as a relationship by blood.

**(B) Relationships by half-blood**

A relationship by the half-blood shall be treated as a relationship of the whole-blood.

**(c) Marital relationship**

**(1) Marriage to transferor**

An individual who has been married at any time to the transferor shall be assigned to the transferor's generation.

**(2) Marriage to other lineal descendants**

An individual who has been married at any time to an individual described in subsection (b) shall be assigned to the generation of the individual so described.

**(d) Persons who are not lineal descendants**

An individual who is not assigned to a generation by reason of the foregoing provisions of this

section shall be assigned to a generation on the basis of the date of such individual's birth with—

(1) an individual born not more than 12½ years after the date of the birth of the transferor assigned to the transferor's generation,

(2) an individual born more than 12½ years but not more than 37½ years after the date of the birth of the transferor assigned to the first generation younger than the transferor, and

(3) similar rules for a new generation every 25 years.

**(e) Special rule for persons with a deceased parent**

**(1) In general**

For purposes of determining whether any transfer is a generation-skipping transfer, if—

(A) an individual is a descendant of a parent of the transferor (or the transferor's spouse or former spouse), and

(B) such individual's parent who is a lineal descendant of the parent of the transferor (or the transferor's spouse or former spouse) is dead at the time the transfer (from which an interest of such individual is established or derived) is subject to a tax imposed by chapter 11 or 12 upon the transferor (and if there shall be more than 1 such time, then at the earliest such time),

such individual shall be treated as if such individual were a member of the generation which is 1 generation below the lower of the transferor's generation or the generation assignment of the youngest living ancestor of such individual who is also a descendant of the parent of the transferor (or the transferor's spouse or former spouse), and the generation assignment of any descendant of such individual shall be adjusted accordingly.

**(2) Limited application of subsection to collateral heirs**

This subsection shall not apply with respect to a transfer to any individual who is not a lineal descendant of the transferor (or the transferor's spouse or former spouse) if, at the time of the transfer, such transferor has any living lineal descendant.

**(f) Other special rules**

**(1) Individuals assigned to more than 1 generation**

Except as provided in regulations, an individual who, but for this subsection, would be assigned to more than 1 generation shall be assigned to the youngest such generation.

**(2) Interests through entities**

Except as provided in paragraph (3), if an estate, trust, partnership, corporation, or other entity has an interest in property, each individual having a beneficial interest in such entity shall be treated as having an interest in such property and shall be assigned to a generation under the foregoing provisions of this subsection.

**(3) Treatment of certain charitable organizations and governmental entities**

Any—

(A) organization described in section 511(a)(2),