

appointment and is exercisable in favor of such other person—such power shall be deemed a general power of appointment only in respect of a fractional part of the property subject to such power, such part to be determined by dividing the value of such property by the number of such persons (including the decedent) in favor of whom such power is exercisable.

For purposes of clauses (ii) and (iii), a power shall be deemed to be exercisable in favor of a person if it is exercisable in favor of such person, his estate, his creditors, or the creditors of his estate.

(2) Lapse of power

The lapse of a power of appointment created after October 21, 1942, during the life of the individual possessing the power shall be considered a release of such power. The preceding sentence shall apply with respect to the lapse of powers during any calendar year only to the extent that the property, which could have been appointed by exercise of such lapsed powers, exceeded in value, at the time of such lapse, the greater of the following amounts:

(A) \$5,000, or

(B) 5 percent of the aggregate value, at the time of such lapse, of the assets out of which, or the proceeds of which, the exercise of the lapsed powers could have been satisfied.

(3) Date of creation of power

For purposes of this section, a power of appointment created by a will executed on or before October 21, 1942, shall be considered a power created on or before such date if the person executing such will dies before July 1, 1949, without having republished such will, by codicil or otherwise, after October 21, 1942.

(Aug. 16, 1954, ch. 736, 68A Stat. 385; Pub. L. 87-834, § 18(a)(2)(H), Oct. 16, 1962, 76 Stat. 1052; Pub. L. 94-455, title XX, § 2009(b)(4)(A), Oct. 4, 1976, 90 Stat. 1894.)

AMENDMENTS

1976—Subsec. (a)(2). Pub. L. 94-455 struck out provision that a disclaimer or renunciation of a power of appointment not be deemed a release of that power.

1962—Subsec. (a). Pub. L. 87-834 struck out provisions which excepted real property situated outside of the United States.

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94-455 applicable to transfers creating an interest in person disclaiming made after Dec. 31, 1976, see section 2009(e)(2) of Pub. L. 94-455, set out as a note under section 2518 of this title.

EFFECTIVE DATE OF 1962 AMENDMENT

Amendment by Pub. L. 87-834 applicable to estates of decedents dying after Oct. 16, 1962, except as otherwise provided, see section 18(b) of Pub. L. 87-834, set out as a note under section 2031 of this title.

§ 2042. Proceeds of life insurance

The value of the gross estate shall include the value of all property—

(1) Receivable by the executor

To the extent of the amount receivable by the executor as insurance under policies on the life of the decedent.

(2) Receivable by other beneficiaries

To the extent of the amount receivable by all other beneficiaries as insurance under policies on the life of the decedent with respect to which the decedent possessed at his death any of the incidents of ownership, exercisable either alone or in conjunction with any other person. For purposes of the preceding sentence, the term “incident of ownership” includes a reversionary interest (whether arising by the express terms of the policy or other instrument or by operation of law) only if the value of such reversionary interest exceeded 5 percent of the value of the policy immediately before the death of the decedent. As used in this paragraph, the term “reversionary interest” includes a possibility that the policy, or the proceeds of the policy, may return to the decedent or his estate, or may be subject to a power of disposition by him. The value of a reversionary interest at any time shall be determined (without regard to the fact of the decedent’s death) by usual methods of valuation, including the use of tables of mortality and actuarial principles, pursuant to regulations prescribed by the Secretary. In determining the value of a possibility that the policy or proceeds thereof may be subject to a power of disposition by the decedent, such possibility shall be valued as if it were a possibility that such policy or proceeds may return to the decedent or his estate.

(Aug. 16, 1954, ch. 736, 68A Stat. 387; Pub. L. 94-455, title XIX, § 1906(b)(13) (A), Oct. 4, 1976, 90 Stat. 1834.)

AMENDMENTS

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary”.

§ 2043. Transfers for insufficient consideration

(a) In general

If any one of the transfers, trusts, interests, rights, or powers enumerated and described in sections 2035 to 2038, inclusive, and section 2041 is made, created, exercised, or relinquished for a consideration in money or money’s worth, but is not a bona fide sale for an adequate and full consideration in money or money’s worth, there shall be included in the gross estate only the excess of the fair market value at the time of death of the property otherwise to be included on account of such transaction, over the value of the consideration received therefor by the decedent.

(b) Marital rights not treated as consideration

(1) In general

For purposes of this chapter, a relinquishment or promised relinquishment of dower or curtesy, or of a statutory estate created in lieu of dower or curtesy, or of other marital rights in the decedent’s property or estate, shall not be considered to any extent a consideration “in money or money’s worth”.

(2) Exception

For purposes of section 2053 (relating to expenses, indebtedness, and taxes), a transfer of property which satisfies the requirements of

paragraph (1) of section 2516 (relating to certain property settlements) shall be considered to be made for an adequate and full consideration in money or money's worth.

(Aug. 16, 1954, ch. 736, 68A Stat. 388; Pub. L. 98-369, div. A, title IV, § 425(a)(1), July 18, 1984, 98 Stat. 803.)

AMENDMENTS

1984—Subsec. (b). Pub. L. 98-369 amended subsec. (b) generally, designating existing provisions as par. (1) and adding par. (2).

EFFECTIVE DATE OF 1984 AMENDMENT

Pub. L. 98-369, div. A, title IV, § 425(c)(1), July 18, 1984, 98 Stat. 804, provided that: "The amendments made by subsection (a) [amending this section and section 2053 of this title] shall apply to estates of decedents dying after the date of the enactment of this Act [July 18, 1984]."

§ 2044. Certain property for which marital deduction was previously allowed

(a) General rule

The value of the gross estate shall include the value of any property to which this section applies in which the decedent had a qualifying income interest for life.

(b) Property to which this section applies

This section applies to any property if—

(1) a deduction was allowed with respect to the transfer of such property to the decedent—

(A) under section 2056 by reason of subsection (b)(7) thereof, or

(B) under section 2523 by reason of subsection (f) thereof, and

(2) section 2519 (relating to dispositions of certain life estates) did not apply with respect to a disposition by the decedent of part or all of such property.

(c) Property treated as having passed from decedent

For purposes of this chapter and chapter 13, property includible in the gross estate of the decedent under subsection (a) shall be treated as property passing from the decedent.

(Added Pub. L. 97-34, title IV, § 403(d)(3)(A)(i), Aug. 13, 1981, 95 Stat. 304; amended Pub. L. 97-448, title I, § 104(a)(1)(B), Jan. 12, 1983, 96 Stat. 2380.)

PRIOR PROVISIONS

A prior section 2044 was renumbered section 2045 of this title.

AMENDMENTS

1983—Subsec. (c). Pub. L. 97-448 added subsec. (c).

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 97-448 effective, except as otherwise provided, as if it had been included in the provision of the Economic Recovery Tax Act of 1981, Pub. L. 97-34, to which such amendment relates, see section 109 of Pub. L. 97-448, set out as a note under section 1 of this title.

EFFECTIVE DATE

Section applicable to estates of decedents dying after Dec. 31, 1981, see section 403(e) of Pub. L. 97-34, set out as an Effective Date of 1981 Amendment note under section 2056 of this title.

§ 2045. Prior interests

Except as otherwise specifically provided by law, sections 2034 to 2042, inclusive, shall apply to the transfers, trusts, estates, interests, rights, powers, and relinquishment of powers, as severally enumerated and described therein, whenever made, created, arising, existing, exercised, or relinquished.

(Aug. 16, 1954, ch. 736, 68A Stat. 388, § 2044; Pub. L. 94-455, title XX, § 2001(c)(1)(M), Oct. 4, 1976, 90 Stat. 1853; renumbered § 2045, Pub. L. 97-34, title IV, § 403(d)(3)(A)(i), Aug. 13, 1981, 95 Stat. 304.)

PRIOR PROVISIONS

A prior section 2045 was renumbered section 2046 of this title.

AMENDMENTS

1976—Pub. L. 94-455 substituted "specifically provided by law" for "specifically provided therein".

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94-455 applicable to estates of decedents dying after Dec. 31, 1976, see section 2001(d) of Pub. L. 94-455, set out as a note under section 2001 of this title.

§ 2046. Disclaimers

For provisions relating to the effect of a qualified disclaimer for purposes of this chapter, see section 2518.

(Added Pub. L. 94-455, title XX, § 2009(b)(2), Oct. 4, 1976, 90 Stat. 1893, § 2045; renumbered § 2046, Pub. L. 97-34, title IV, § 403(d)(3)(A)(i), Aug. 13, 1981, 95 Stat. 304.)

EFFECTIVE DATE

Section applicable to transfers creating an interest in person disclaiming made after Dec. 31, 1976, see section 2009(e)(2) of Pub. L. 94-455, set out as a note under section 2518 of this title.

PART IV—TAXABLE ESTATE

Sec. 2051.	Definition of taxable estate.
[2052.]	Repealed.]
2053.	Expenses, indebtedness, and taxes.
2054.	Losses.
2055.	Transfers for public, charitable, and religious uses.
2056.	Bequests, etc., to surviving spouse.
2056A.	Qualified domestic trust.
[2057.]	Repealed.]
2058.	State death taxes.

AMENDMENTS

2014—Pub. L. 113-295, div. A, title II, § 221(a)(97)(A), Dec. 19, 2014, 128 Stat. 4051, which directed amendment of part IV of subchapter A of chapter 11 of this title by striking item 2057 from the table of sections for "such subpart", was executed by striking item 2057 "Family-owned business interests" from the table of sections for this part, to reflect the probable intent of Congress.

2001—Pub. L. 107-16, title V, § 532(c)(14), June 7, 2001, 115 Stat. 75, added item 2058.

1998—Pub. L. 105-206, title VI, § 6006(b)(1)(F), July 22, 1998, 112 Stat. 808, added item 2057.

1990—Pub. L. 101-508, title XI, § 11704(a)(39), Nov. 5, 1990, 104 Stat. 1388-520, amended directory language of section 5033(a)(3) of Pub. L. 100-647. See 1988 Amendment note below.

Pub. L. 101-508, title XI, § 11704(a)(16), Nov. 5, 1990, 104 Stat. 1388-518, substituted "trust" for "trusts" in item 2056A.