

provide such a similar credit in the case of citizens of the United States resident in such foreign country at the time of death, and

(3) it is in the public interest to allow the credit under subsection (a) in the case of citizens or subjects of such foreign country only if it allows such a similar credit in the case of citizens of the United States resident in such foreign country at the time of death,

the President shall proclaim that, in the case of citizens or subjects of such foreign country dying while the proclamation remains in effect, the credit under subsection (a) shall be allowed only if such foreign country allows such a similar credit in the case of citizens of the United States resident in such foreign country at the time of death.

(Aug. 16, 1954, ch. 736, 68A Stat. 378; Pub. L. 85-866, title I, §102(c)(2), Sept. 2, 1958, 72 Stat. 1674; Pub. L. 86-175, §2, Aug. 21, 1959, 73 Stat. 397; Pub. L. 89-809, title I, §106(b)(3), Nov. 13, 1966, 80 Stat. 1570; Pub. L. 94-455, title XIX, §1906(b)(13)(A), title XX, §2001(c)(1)(G), Oct. 4, 1976, 90 Stat. 1834, 1852; Pub. L. 107-16, title V, §532(c)(3), June 7, 2001, 115 Stat. 74.)

AMENDMENTS

2001—Subsec. (b)(2). Pub. L. 107-16 struck out “, 2011,” after “sections 2010” in introductory provisions.

1976—Subsec. (b)(2). Pub. L. 94-455, §2001(c)(1)(G), inserted reference to section 2010 in introductory provisions.

Subsecs. (c), (d). Pub. L. 94-455, §1906(b)(13)(A), struck out “or his delegate” after “Secretary”.

1966—Subsec. (a). Pub. L. 89-809 struck out provision that, if the decedent at the time of his death was not a citizen of the United States, credit would not be allowed under this section unless the foreign country of which the decedent was a citizen or subject, in imposing estate, inheritance, legacy, or succession taxes, allows a similar credit in the case of a citizen of the United States resident in such country.

Subsec. (h). Pub. L. 89-809 added subsec. (h).

1959—Subsecs. (f), (g). Pub. L. 86-175 added subsec. (f) and redesignated former subsec. (f) as (g).

1958—Subsec. (f). Pub. L. 85-866 added subsec. (f).

EFFECTIVE DATE OF 2001 AMENDMENT

Amendment by Pub. L. 107-16 applicable to estates of decedents dying, and generation-skipping transfers, after Dec. 31, 2004, see section 532(d) of Pub. L. 107-16, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89-809 applicable with respect to estates of decedents dying after Nov. 13, 1966, see section 106(b)(4) of Pub. L. 89-809, set out as a note under section 901 of this title.

EFFECTIVE DATE OF 1959 AMENDMENT

Amendment by Pub. L. 86-175 applicable with respect to estates of decedents dying on or after July 1, 1955, see section 4 of Pub. L. 86-175, set out as a note under section 2053 of this title.

EFFECTIVE DATE OF 1958 AMENDMENT

Pub. L. 85-866, title I, §102(d), Sept. 2, 1958, 72 Stat. 1675, provided that: “The amendments made by this section (other than by subsection (b)) [enacting section 2208 of this title and amending this section and sections 2011 and 2053 of this title] shall apply to the estates of decedents dying after the date of the enactment of this Act [Sept. 2, 1958]. The amendment made by subsection (b) [amending section 2501 of this title] shall apply to gifts made after the date of the enactment of this Act.”

§ 2015. Credit for death taxes on remainders

Where an election is made under section 6163(a) to postpone payment of the tax imposed by section 2001, or 2101, such part of any estate, inheritance, legacy, or succession taxes allowable as a credit under section 2014, as is attributable to a reversionary or remainder interest may be allowed as a credit against the tax attributable to such interest, subject to the limitations on the amount of the credit contained in such sections, if such part is paid, and credit therefor claimed, at any time before the expiration of the time for payment of the tax imposed by section 2001 or 2101 as postponed and extended under section 6163.

(Aug. 16, 1954, ch. 736, 68A Stat. 379; Pub. L. 85-866, title I, §66(a)(1), Sept. 2, 1958, 72 Stat. 1657; Pub. L. 107-16, title V, §532(c)(4), June 7, 2001, 115 Stat. 74.)

AMENDMENTS

2001—Pub. L. 107-16 struck out “2011 or” before “2014”.

1958—Pub. L. 85-866 substituted “the time for payment of the tax imposed by section 2001 or 2101 as postponed and extended under section 6163” for “60 days after the termination of the precedent interest or interests in the property”.

EFFECTIVE DATE OF 2001 AMENDMENT

Amendment by Pub. L. 107-16 applicable to estates of decedents dying, and generation-skipping transfers, after Dec. 31, 2004, see section 532(d) of Pub. L. 107-16, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1958 AMENDMENT

Pub. L. 85-866, title I, §66(a)(3), Sept. 2, 1958, 72 Stat. 1658, provided that: “The amendments made by paragraphs (1) and (2) [amending this section and section 927 of I.R.C. 1939] shall apply in the case of any reversionary or remainder interest in property only if the precedent interest or interests in the property did not terminate before the beginning of the 60-day period which ends on the date of the enactment of this Act [Sept. 2, 1958].”

§ 2016. Recovery of taxes claimed as credit

If any tax claimed as a credit under section 2014 is recovered from any foreign country, the executor, or any other person or persons recovering such amount, shall give notice of such recovery to the Secretary at such time and in such manner as may be required by regulations prescribed by him, and the Secretary shall (despite the provisions of section 6501) redetermine the amount of the tax under this chapter and the amount, if any, of the tax due on such redetermination, shall be paid by the executor or such person or persons, as the case may be, on notice and demand. No interest shall be assessed or collected on any amount of tax due on any redetermination by the Secretary resulting from a refund to the executor of tax claimed as a credit under section 2014, for any period before the receipt of such refund, except to the extent interest was paid by the foreign country on such refund.

(Aug. 16, 1954, ch. 736, 68A Stat. 380; Pub. L. 94-455, title XIX, §§1902(a)(12)(C), 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1806, 1834; Pub. L. 107-16, title V, §532(c)(4), June 7, 2001, 115 Stat. 74; Pub.

L. 107-147, title IV, § 411(h), Mar. 9, 2002, 116 Stat. 46.)

AMENDMENTS

2002—Pub. L. 107-147 struck out “any State, any possession of the United States, or the District of Columbia,” after “any foreign country.”

2001—Pub. L. 107-16 struck out “2011 or” before “2014 is recovered”.

1976—Pub. L. 94-455 struck out “Territory or” after “any State, any” and “or his delegate” after “Secretary”.

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107-147 effective as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001, Pub. L. 107-16, to which such amendment relates, see section 411(x) of Pub. L. 107-147, set out as a note under section 25B of this title.

EFFECTIVE DATE OF 2001 AMENDMENT

Amendment by Pub. L. 107-16 applicable to estates of decedents dying, and generation-skipping transfers, after Dec. 31, 2004, see section 532(d) of Pub. L. 107-16, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by section 1902(a)(12)(C) of Pub. L. 94-455 applicable to estates of decedents dying after Oct. 4, 1976, see section 1902(c)(1) of Pub. L. 94-455, set out as a note under section 2012 of this title.

PART III—GROSS ESTATE

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AMENDMENTS

1998—Pub. L. 105-206, title VI, § 6007(b)(1)(E), July 22, 1998, 112 Stat. 808, struck out item 2033A “Family-owned business exclusion”.

1997—Pub. L. 105-34, title V, § 502(b), title XIII, § 1310(b), Aug. 5, 1997, 111 Stat. 852, 1044, added item 2033A and substituted “certain gifts” for “gifts” in item 2035.

1981—Pub. L. 97-34, title IV, § 403(d)(3)(A)(ii), Aug. 13, 1981, 95 Stat. 304, added item 2044 and redesignated former items 2044 and 2045 as items 2045 and 2046, respectively.

1976—Pub. L. 94-455, title XX, §§ 2001(c)(1)(N)(iii), 2003(d)(1), 2009(b)(3)(B), Oct. 4, 1976, 90 Stat. 1853, 1862, 1894, added items 2032A and 2045 and substituted “Adjustments for gifts made within 3 years of decedent's death” for “Transactions in contemplation of death” in item 2035.

§ 2031. Definition of gross estate

(a) General

The value of the gross estate of the decedent shall be determined by including to the extent

provided for in this part, the value at the time of his death of all property, real or personal, tangible or intangible, wherever situated.

(b) Valuation of unlisted stock and securities

In the case of stock and securities of a corporation the value of which, by reason of their not being listed on an exchange and by reason of the absence of sales thereof, cannot be determined with reference to bid and asked prices or with reference to sales prices, the value thereof shall be determined by taking into consideration, in addition to all other factors, the value of stock or securities of corporations engaged in the same or a similar line of business which are listed on an exchange.

(c) Estate tax with respect to land subject to a qualified conservation easement

(1) In general

If the executor makes the election described in paragraph (6), then, except as otherwise provided in this subsection, there shall be excluded from the gross estate the lesser of—

- (A) the applicable percentage of the value of land subject to a qualified conservation easement, reduced by the amount of any deduction under section 2055(f) with respect to such land, or
- (B) \$500,000.

(2) Applicable percentage

For purposes of paragraph (1), the term “applicable percentage” means 40 percent reduced (but not below zero) by 2 percentage points for each percentage point (or fraction thereof) by which the value of the qualified conservation easement is less than 30 percent of the value of the land (determined without regard to the value of such easement and reduced by the value of any retained development right (as defined in paragraph (5))). The values taken into account under the preceding sentence shall be such values as of the date of the contribution referred to in paragraph (8)(B).

[(3) Repealed. Pub. L. 113-295, div. A, title II, § 221(a)(96), Dec. 19, 2014, 128 Stat. 4051]

(4) Treatment of certain indebtedness

(A) In general

The exclusion provided in paragraph (1) shall not apply to the extent that the land is debt-financed property.

(B) Definitions

For purposes of this paragraph—

(i) Debt-financed property

The term “debt-financed property” means any property with respect to which there is an acquisition indebtedness (as defined in clause (ii)) on the date of the decedent's death.

(ii) Acquisition indebtedness

The term “acquisition indebtedness” means, with respect to debt-financed property, the unpaid amount of—

- (I) the indebtedness incurred by the donor in acquiring such property,
- (II) the indebtedness incurred before the acquisition of such property if such