

In subsection (d) of this section, the former clause "for the purpose of ascertaining the tax thereon and before any distribution thereof shall be authorized" is deleted as superfluous.

Also in subsection (d) of this section, the former references to regulations as "effective" and "as promulgated by the United States Treasury Department, Internal Revenue Service, as such regulations may be amended from time to time" are deleted as surplusage.

Defined terms: "Inheritance tax" § 1-101
 "Internal Revenue Code" § 1-101
 "Less than absolute interest" § 7-201
 "Person" § 1-101 "Property" § 1-101
 "Property that passes from a decedent" § 7-201

7-210. SUBSEQUENT INTERESTS.

(A) IF APPLICATION TO PREPAY TAX IS FILED.

(1) IF AN APPLICATION TO PREPAY INHERITANCE TAX FOR A SUBSEQUENT INTEREST IN PROPERTY IS FILED UNDER § 7-219 OF THIS SUBTITLE, THE VALUE OF THE SUBSEQUENT INTEREST IS DETERMINED BY SUBTRACTING THE VALUE OF ALL PRECEDING AND CONCURRENT INTERESTS FROM THE VALUE OF THE WHOLE PROPERTY.

(2) THE TOTAL INHERITANCE TAX ON ALL INTERESTS IN THE PROPERTY VALUED SHALL EQUAL THE INHERITANCE TAX THAT WOULD HAVE BEEN DUE IF AN ABSOLUTE INTEREST IN THE PROPERTY PASSED FROM THE DECEDENT.

(B) IF INTEREST VESTS IN NONAPPLICANT.

(1) IF A SUBSEQUENT INTEREST IN PROPERTY ULTIMATELY VESTS IN POSSESSION IN A PERSON OTHER THAN THE PERSON BY OR FOR WHOM AN APPLICATION TO PREPAY THE INHERITANCE TAX WAS FILED UNDER § 7-219 OF THIS SUBTITLE AND IF THE INHERITANCE TAX DETERMINED UNDER THE PREPAYMENT APPLICATION WAS PAID:

(I) THE SUBSEQUENT INTEREST SHALL BE REVALUED WHEN IT VESTS IN POSSESSION; AND

(II) THE INHERITANCE TAX DUE ON THE SUBSEQUENT INTEREST SHALL BE REDETERMINED BASED ON THE VALUE OF THE INTEREST WHEN IT VESTS IN POSSESSION AND ON THE RELATIONSHIP OF THE ORIGINAL DECEDENT TO THE PERSON IN WHOM THE INTEREST ULTIMATELY VESTS IN POSSESSION.

(2) A DEDUCTION FROM THE INHERITANCE TAX CALCULATED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION FOR PREPAID INHERITANCE TAX ON THE INTEREST SHALL BE ALLOWED.

(C) IF NO APPLICATION TO PREPAY TAX IS FILED OR NO TAX PAID.