

(6) A STEPPARENT OR STEPCHILD OF THE DECEDENT;

(7) A BROTHER OR SISTER OF THE DECEDENT; OR

(8) A CORPORATION IF ALL OF ITS STOCKHOLDERS CONSIST OF THE SURVIVING SPOUSE, PARENTS, STEPPARENTS, STEPCHILDREN, BROTHERS, SISTERS, AND LINEAL DESCENDANTS OF THE DECEDENT AND SPOUSES OF THE LINEAL DESCENDANTS.

[(i) The inheritance tax does not apply to the receipt of property that passes from a decedent to or for the use of the surviving spouse of the decedent and is:

(1) an interest in property that is held in the name of the decedent and the surviving spouse and passes by right of survivorship;

(2) real property, including leasehold property; or

(3) the first \$100,000 of property other than:

(i) real property, including leasehold property; or

(ii) an interest in property that passes by right of survivorship.]

7-204.

(a) In this section, "clear value" means fair market value minus expenses.

(b) ~~Except as provided in subsections (c) and (e)]~~ ~~SUBSECTION (D) of this section, the~~ THE inheritance tax rate is 10% of the clear value of the property that passes from a decedent.

[(c) The inheritance tax rate is 0.9% of the clear value of:

(1) the property that passes from a decedent to or for the use of:

(i) a grandparent of the decedent;

(ii) a parent of the decedent;

(iii) a spouse of the decedent;

(iv) a child or other lineal descendant of the decedent;

(v) a stepparent or stepchild of the decedent; or

(vi) a corporation if all of its stockholders consist of the surviving spouse, parents, stepparents, stepchildren, and lineal descendants of the decedent, and spouses of the lineal descendants; and

(2) the first \$2,000 that passes from the decedent, by survivorship, to a spouse of a lineal descendant of the decedent from savings accounts that the decedent and spouse of the lineal descendant held jointly.]

[(d)](C) If a decedent died on or before May 31, 1975, the rate of the inheritance tax is the rate in effect on the date of the decedent's death.