

CONTROL COUNCIL

Law No. 17

AMENDMENT OF INHERITANCE TAX LAWS

The Control Council enacts as follows:

ARTICLE I

The present inheritanc tax rates on acquisitions by persons in Tax Class V (s^ae Section 9 of the Inheritance Tax Law of 22 August 1925 as amended by the Law of 16 October 1934 [Erbrechtssteuergesetz]) apply to acquisitions by persons in all other tax classes. Section 10 of the said law is amended accordingly.

ARTICLE II

1. Section 17b of the said law, as amended, is further amended as follows:

- (a) in subsection (1), the tax exemption (Freibetrag) for acquisitions by persons in tax class I is reduced from RM 30.000.— to RM 10.000.—.
- (b) in subsection (2), the tax immunity limit (Bestimmungsgrenze) for acquisitions by persons in tax classes III and IV is reduced from RM 2000.— to RM 500.—, and the limitation of the amount of tax payable by persons in classes III, IV and V to 50% of the excess of the acquisition over such tax immunity limit is repealed.

2. Section 17 (a) of the said law is repealed.

ARTICLE III

In addition to the exemptions specified in Article II, household" effects (Hausrat) of such estate shall be exempt from tax irrespective of the Tax Class in which the Person or persons acquiring them fall, up to a total value of 5000.— RM. If the value of such effects exceeds 5000.— RM, the exemption shall apply to the first 5000.— RM of the value thereof. The exemption shall be apportioned among the beneficiaries in accordance with the actual division of such effects. Section 18 subsectiop (4) (a) of thecdaw of 22 August 1925 as amended by the law of 16 October 1934 (Erbrechtssteuergesetz) is amended accordingly.

ARTICLE IV **

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All other German taxation legislation inconsistent with this law is repealed or amended in accordance with provisions of this law.,