



STATE OF DELAWARE
DEPARTMENT OF FINANCE
DIVISION OF REVENUE
DELAWARE STATE BUILDING
820 N. FRENCH STREET
WILMINGTON, DELAWARE 19801

TECHNICAL INFORMATION MEMORANDUM 84-1

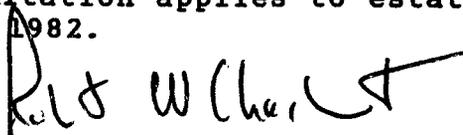
June 20, 1984

SUBJECT: Delaware Inheritance Tax - Annuities

Section 1309 (c), Chapter 13, Title 30, Delaware Code, relating to annuities, excludes from the gross estate of a decedent the value of an annuity or other payment received by any beneficiary (other than the executor or administrator of the estate) under any arrangement specified in Section 2039, IRC, except to the extent that such annuities are includible in the gross estate of the decedent for federal estate tax purposes.

Prior to 1983, the exclusion from the gross estate for annuities qualifying under sec. 2039 was unlimited. However, in 1982 the Congress (P.L. 97-248) amended Section 2039, IRC, effective December 31, 1982, to place a limit of \$100,000 on the aggregate amount excludible from the gross estate of any decedent of the value of an annuity payable to any beneficiary under section 2039 (c) (relating to exemption of annuities under certain trusts and plans) and Section 2039 (e), (relating to Exclusion of Individual Retirement Accounts).

Since Section 1309 (c), 30 Del. C., incorporates the provisions of Section 2039, IRC, as amended, the \$100,000 limitation on the exclusion of such annuities is also applicable in determining the gross estate for Delaware Inheritance Tax purposes. The limitation applies to estates of decedents dying after December 31, 1982.


Robert W. Chastant
Director of Revenue

RRS/jmp