To amend the Internal Revenue Code of 1986 to allow for deductions for transfers from estates or gifts to certain cemeteries.

IN THE HOUSE OF REPRESENTATIVES

Mr. KIND introduced the following bill; which was referred to the Committee on ______________________

A BILL

To amend the Internal Revenue Code of 1986 to allow for deductions for transfers from estates or gifts to certain cemeteries.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Grave Injustice Parity Act”.
SEC. 2. DEDUCTIONS FOR TRANSFERS FROM ESTATES OR GIFTS TO CERTAIN CEMETERIES.

(a) ESTATES.—Section 2055(a) of the Internal Revenue Code of 1986 is amended by striking “or” at the end of paragraph (4), by striking the period at the end of paragraph (5) and inserting “; or” , and by inserting after paragraph (5) the following new paragraph:

“(6) to a cemetery company owned and operated exclusively for the benefit of its members, or any corporation chartered solely for burial purposes as a cemetery corporation and not permitted by its charter to engage in any business not necessarily incident to that purpose, if such company or corporation is not operated for profit and no part of the net earnings of such company or corporation inures to the benefit of any private shareholder or individual.”.

(b) GIFTS.—

(1) RESIDENTS.—Section 2522(a) of the Internal Revenue Code of 1986 is amended by striking the period at the end of paragraph (4) and inserting “; or” , and by inserting after paragraph (4) the following new paragraph:

“(5) a cemetery company owned and operated exclusively for the benefit of its members, or any corporation chartered solely for burial purposes as a
cemetery corporation and not permitted by its charter to engage in any business not necessarily incident to that purpose, if such company or corporation is not operated for profit and no part of the net earnings of such company or corporation inures to the benefit of any private shareholder or individual.”.

(2) Nonresidents.—Section 2522(b) of the Internal Revenue Code of 1986 is amended by striking the period at the end of paragraph (5) and inserting “; or”, and by inserting after paragraph (5) the following new paragraph:

“(6) a cemetery company owned and operated exclusively for the benefit of its members, or any corporation chartered solely for burial purposes as a cemetery corporation and not permitted by its charter to engage in any business not necessarily incident to that purpose, if such company or corporation is not operated for profit and no part of the net earnings of such company or corporation inures to the benefit of any private shareholder or individual.”.

(e) Effective Date.—The amendments made by this section shall apply with respect to taxable years beginning after the date of enactment of this Act.
SEC. 3. DISTRIBUTIONS OF PRIVATE FOUNDATIONS TO CEMETERIES.

(a) Taxes on Failure to Distribute Income.—Section 4942(g)(1)(A) of the Internal Revenue Code of 1986 is amended by inserting “to a cemetery company described in section 170(e)(5) or” after “paid”.

(b) Taxes on Taxable Expenditures.—Section 4945(d)(4)(A) is amended by striking “or” at the end of clause (ii) and by adding at the end the following new clause:

“(iv) is a cemetery company described in section 170(e)(5), or”.

(c) Effective Date.—The amendments made by this section shall apply with respect to distributions made after the date of the enactment of this Act.