

GIFT TAXES
Rate schedule—Con.

\$417,125 upon net gifts of \$3,000,000; and upon net gifts in excess of \$3,000,000 and not in excess of \$3,500,000, 20 per centum in addition of such excess.

\$517,125 upon net gifts of \$3,500,000; and upon net gifts in excess of \$3,500,000 and not in excess of \$4,000,000, 21½ per centum in addition of such excess.

\$624,625 upon net gifts of \$4,000,000; and upon net gifts in excess of \$4,000,000 and not in excess of \$4,500,000, 23 per centum in addition of such excess.

\$739,625 upon net gifts of \$4,500,000; and upon net gifts in excess of \$4,500,000 and not in excess of \$5,000,000, 24½ per centum in addition of such excess.

\$862,125 upon net gifts of \$5,000,000; and upon net gifts in excess of \$5,000,000 and not in excess of \$6,000,000, 26 per centum in addition of such excess.

\$1,122,125 upon net gifts of \$6,000,000; and upon net gifts in excess of \$6,000,000 and not in excess of \$7,000,000, 27½ per centum in addition of such excess.

\$1,397,125 upon net gifts of \$7,000,000; and upon net gifts in excess of \$7,000,000 and not in excess of \$8,000,000, 29 per centum in addition of such excess.

\$1,687,125 upon net gifts of \$8,000,000; and upon net gifts in excess of \$8,000,000 and not in excess of \$9,000,000, 30½ per centum in addition of such excess.

\$1,992,125 upon net gifts of \$9,000,000; and upon net gifts in excess of \$9,000,000 and not in excess of \$10,000,000, 32 per centum in addition of such excess.

\$2,312,125 upon net gifts of \$10,000,000; and upon net gifts in excess of \$10,000,000, 33½ per centum in addition of such excess.

SEC. 503. TRANSFER FOR LESS THAN ADEQUATE AND FULL CONSIDERATION.

Where property is transferred for less than an adequate and full consideration in money or money's worth, then the amount by which the value of the property exceeded the value of the consideration shall, for the purpose of the tax imposed by this title, be deemed a gift, and shall be included in computing the amount of gifts made during the calendar year.

SEC. 504. NET GIFTS.

(a) GENERAL DEFINITION.—The term "net gifts" means the total amount of gifts made during the calendar year, less the deductions provided in section 505.

(b) GIFTS LESS THAN \$5,000.—In the case of gifts (other than of future interests in property) made to any person by the donor during the calendar year, the first \$5,000 of such gifts to such person shall not, for the purposes of subsection (a), be included in the total amount of gifts made during such year.

SEC. 505. DEDUCTIONS.

In computing net gifts for any calendar year there shall be allowed as deductions:

(a) RESIDENTS.—In the case of a citizen or resident—

(1) SPECIFIC EXEMPTION.—An exemption of \$50,000, less the aggregate of the amounts claimed and allowed as specific exemption for preceding calendar years.

(2) CHARITABLE, ETC., GIFTS.—The amount of all gifts made during such year to or for the use of—

(A) the United States, any State, Territory, or any political subdivision thereof, or the District of Columbia, for exclusively public purposes;

Transfer for less than adequate, etc., consideration.

Excess in value deemed a gift.

Computation of.

Net gifts.

Definition.

Gifts less than \$5,000.
Future interests.

Deductions.

Citizen or resident.

Allowance for preceding calendar years.

Charitable, etc., gifts.

For public purposes.