

Living Trust  
&  
Estate Planning

# ESTATE PLANNING AND STRATEGIES

POST TCJA & COVID-19



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# Estate Tax Planning & Strategies

*Featuring New York, New Jersey, and Connecticut Issues*



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## Today's Instructor

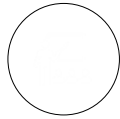
Arthur Joseph Werner, JD, MS (Taxation), is the president and is a shareholder in the lecture firm of Werner-Rocca Seminars, Ltd. Mr. Werner's lecture topic specialties include business, tax, financial and estate planning for high net worth individuals.

Art received his B.S. in Accounting and his M.S. in Taxation from Widener University. He holds a J.D. in Law from the Delaware Law School.

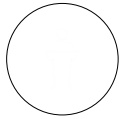
Art lectures extensively in the areas of Tax Planning and Compliance as well as Estate and Financial Planning, Financial Planning to CPAs, EAs, and other tax professionals, and has presented well in excess of 2500 eight-hour seminars over the past twenty-five years as well as numerous webinars and video presentations. Mr. Werner has been rated as having the highest speaker knowledge in his home state of Pennsylvania by the Pennsylvania Institute of Certified Public Accountants, was awarded the AICPA Outstanding Discussion Leader Award in the State of Nevada, the Florida Institute of CPAs Outstanding Discussion Leader Award, and the South Carolina Association of CPAs Outstanding Discussion Leader Award.

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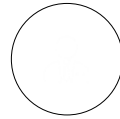
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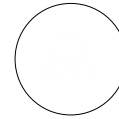
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# Purpose of Our Program

- Practitioners need to understand how to prepare Federal Form 706 (Federal Estate Tax) and Federal Form 709 (Federal Gift Tax)
- Practitioners also need to understand how to prepare various state tax returns that deal with the death of a client
- This program will instruct the CPA, the EA, and any other tax professional in how these returns are prepared in conjunction with planning for the client

## States with Death Taxes

<b>Connecticut:</b> Estate tax of 10.8 percent to 12 percent on estates above \$7.1 million	<b>District of Columbia:</b> Estate tax of 11.2 percent to 16 percent on estates above \$4 million	<b>Hawaii:</b> Estate tax of 10 percent to 20 percent on estates above \$5.5 million	<b>Illinois:</b> Estate tax of 0.8 percent to 16 percent on estates above \$4 million	<b>Iowa:</b> Inheritance tax of up to 15 percent
<b>Kentucky:</b> Inheritance tax of up to 16 percent	<b>Maine:</b> Estate tax of 8 percent to 12 percent on estates above \$5.8 million	<b>Maryland:</b> Estate tax of 0.8 percent to 16 percent on estates above \$5 million; inheritance tax of up to 10 percent	<b>Massachusetts:</b> 0.8 percent to 16 percent on estates above \$1 million	<b>Minnesota:</b> 13 percent to 16 percent on estates above \$3 million
<b>Nebraska:</b> Inheritance tax of up to 18 percent	<b>New Jersey:</b> Inheritance tax of up to 16 percent	<b>New York:</b> Estate tax of 3.06 percent to 16 percent for estates above \$5.9 million	<b>Oregon:</b> Estate tax of 10 percent to 16 percent on estates above \$1 million	<b>Pennsylvania:</b> Inheritance tax of up to 15 percent
	<b>Rhode Island:</b> Estate tax of 0.8 percent to 16 percent on estates above \$1.6 million	<b>Vermont:</b> Estate tax of 16 percent on estates above \$5 million	<b>Washington:</b> Estate tax of 10 percent to 20 percent on estates above \$2.2 million	

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## States with an Estate Tax

- The following states currently have an Estate Tax:
  - Connecticut
  - District of Columbia
  - Hawaii
  - Illinois
  - Maine
  - Maryland
  - Massachusetts
  - Minnesota
  - New York
  - Oregon
  - Rhode Island
  - Vermont
  - Washington

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## States with an Inheritance Tax

- The following states currently have an Inheritance Tax:
  - Iowa
  - Kentucky
  - Maryland
  - Nebraska
  - New Jersey
  - Pennsylvania
- The following state currently has a Gift Tax:
  - Connecticut

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## States with a Gift Tax

- The following state currently has a Gift Tax:
  - Connecticut

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## States that Recognize Portability

- The following states currently recognize the post-mortem concept of “Portability”:
  - Hawaii
  - Maryland

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## Federal Estate Tax

- The exemption increased under the Tax Cuts and Jobs Act increased to \$10,000,000, adjusted for inflation as of 2012
  - The inflation adjusted exemption for 2022 is \$12,060,000
  - Unless Congress either creates “extender legislation” or makes this change permanent, this increase will sunset on December 31, 2025
- Step-up in basis (FMV at DOD) under IRC §1014 still exists

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## Federal Gift Tax

- Like the Federal Estate Tax, the Federal Gift Tax exemption also increased to \$10,000,000, adjusted for inflation as of 2012
  - Thus, the actual exemption for 2022 is \$12,060,000
  - Unless Congress either creates “extender legislation” or makes this change permanent, this increase will sunset on December 31, 2025
- Carry-over basis (donor’s basis at date of gift) under IRC §1015 still exists
- The annual exclusion was retained (2022: Note that the cost of living adjustment increased the annual exclusion to \$16,000 per donee)
- Tuition payments and medical payments not a gift - IRC §2503(e)

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## Generation Skipping Transfer Tax

- Like the Federal Estate Tax and the Federal Gift tax, the exemption was increased to \$10,000,000, adjusted for inflation as of 2012
  - Thus, the exemption for 2022 is also \$12,060,000
  - Unless Congress either creates “extender legislation” or makes this change permanent, this increase will sunset on December 31, 2025

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## “Portability”

- What is spousal “Portability” of the “Exclusion”?
  - If the first spouse does not fully use his/her “exclusion”, then the surviving spouse inherits the deceased spouse’s “exclusion”
  - An election must be made on a timely filed IRS Form 706
  - Was made permanent in the fiscal cliff legislation (American Taxpayer Relief Act of 2012)

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## Portability Defined

- When a decedent is survived by a spouse, the amount of the unified credit available to that decedent's estate for estate tax purposes that is not used by that decedent's estate is "portable" – that is, it can be used for gift or estate tax purposes by the surviving spouse.

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## Legislative History

- Portability of the unified credit was first enacted for two years by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, effective January 1, 2011
- Portability of the unified credit was made permanent by the American Taxpayer Relief Act of 2012.

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## Portability Effect

- The effect of Portability makes the unused "basic exclusion amount," (which is \$12,060,000 for 2022) to pass to a surviving spouse.
- The "basic exclusion amount" is thus similar to an exemption, and it is often referred to as an "exemption."
- The "basic exclusion amount" applies to the total of estate and gift tax transfers.
- The "basic exclusion amount" is subject to cost of living adjustments

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## Portability Example #1

- If a decedent who has never made taxable gifts dies in 2022 when the basic exclusion amount is \$12,060,000 and leaves nothing to anyone except that decedent's surviving spouse, then the marital deduction eliminates the taxable estate, no unified credit is used, and the entire unified credit is "portable" to the surviving spouse.
- The effect is to increase the surviving spouse's total exclusion amount, called the "applicable exclusion amount", by that \$12,060,000

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## Portability Example #2

- If the decedent had made taxable gifts of \$1,500,000 and at death left \$600,000 to children, then the applicable exclusion amount available to that decedent's estate would be \$10,560,000 ( $\$12,060,000 - \$1,500,000$ ) and the unused amount portable to the surviving spouse would be \$9,960,000 ( $\$10,500,000 - \$600,000$ ).
- IRC §2010(c) refers to the \$12,060,000 in example 1 and the \$9,960,000 in example 2 as the "deceased spousal unused exclusion amount". Regulations published in June 2012 abbreviate it to the "DSUE amount".

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## Reasons NOT to Elect Portability

- Second Marriages
- Financial Immaturity
- Lack of Trust in Surviving Spouse
- Growth of Assets
- Asset Protection Issues

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## Current Planning Considerations

- Making lifetime gifts has myriad benefits, including the ability to grow the transferred assets free of gift, estate and GST taxes for multiple generations.
- Those who have already used their lifetime exemptions from the gift and GST taxes will have the ability to “top up” their prior gifts as the exemptions are indexed for inflation.

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## Current Planning Considerations (cont.)

- In addition, there continue to be opportunities to transfer assets to future generations without making a taxable gift, including through the use of grantor retained annuity trusts (GRATs), sales of assets to intentionally-defective” grantor trusts, and charitable lead annuity trusts (CLATs).
- These techniques can be particularly effective in a low-interest-rate environment like the current one.

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## Current Planning Considerations (cont.)

- Portability of the estate tax exemption offers useful planning opportunities after the death of the first spouse to die.
- Portability does have limitations, however.
  - For example, the deceased spouse’s unused estate tax exemption amount is not indexed for inflation; the first spouse’s GST exemption is not portable; and portability is not currently available for state estate tax purposes.

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## Current Planning Considerations (cont.)

- While portability provides a helpful safety net for married couples who have not created an estate plan while both spouses are living, for all the reasons described above, it is not a substitute for thoughtful, affirmative planning.

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## Current Planning Considerations (cont.)

- Because many states (including New York, Connecticut, and Massachusetts) have “decoupled” their state estate taxes from the federal tax, the 2012 Act does not affect most state estate tax issues.
- Understanding your specific state law is VERY important!

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## GST Issues

- Should clients be encouraged to fully use their GST exclusion in 2022?
- Dynasty Trust considerations
  - Certain States have abolished the Rule Against Perpetuities
  - Benefits of Delaware and Alaska Asset Protection Trusts
- Advantage of unification of GST and Gift Tax exclusions

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## GST Planning

- GST Identification (transfers that avoid estate tax)
  - Transfer to a Skip Person/Skip Trust
    - Skip person is greater than one generation removed from transferor (determined by relationship or if not related by age > 37 and 1/2 years)
    - Skip Trust: skip persons hold all beneficial interests

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## GST Planning (cont.)

- Form of Transfer (direct or indirect)
  - Direct Skip: A transfer made to a skip person or a skip trust
  - Taxable Termination: The event/time in which all of the remaining interests (such as in a trust) are held by skip persons
  - Taxable Distribution: A distribution made (such as from a trust) to or for the benefit of a skip person
  - Predeceased Parent Rule
    - Step up if parent of skip person is deceased at the time the transfer is made

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## Selected Internal Revenue Code Sections

# IRC Sections 2031 through 2058

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## IRC §2031

- Definition of Gross Estate
  - All Assets
  - Valuation at “Best Use Fair Market Value”
  - Date of Death Valuation (unless AVD Exception)



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## IRC § 2032

- Alternate Valuation Date Method (“AVD”)
- Under certain circumstance, estate assets may be valued six months after the date of death of the decedent (The “6 Month Rule”)

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## IRC § 2032 – Five Requirements



All assets must be valued in accordance with the rule



The value of the total gross estate must decrease



The estate tax must decrease



If any estate assets are transferred within six months of the date of death of the Decedent and if AVD is used, the value of the assets so transferred is determined on the date of transfer



AVD can not be used for valuing assets that decrease in value due to waste (rather than market condition)

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## IRC § 2033

- Property Owned Outright
  - Probate Assets
  - Transfer by Will or Operation of Law



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## IRC § 2034

- Dower or Courtesy Interests
  - Surviving Spouse's Right to Elect Against a Will
  - State law Issues



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## Incomplete Gifts

- Internal Revenue Code Sections 2035, 2036, 2037, and 2038
- If a transfer is not “completed” (as defined by these Internal Revenue Code sections), then the asset is deemed to be part of the decedent's taxable estate valued at best use fair market value on the decedent's date of death

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## IRC § 2035

- Certain Property Transferred Gratuitously Within Three Years of Death
- Three Year “Look-Back” Rule



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## IRC § 2036

- Gratuitous Lifetime Transfers Where the Decedent Retained the Income or Control over the Income



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## IRC § 2037

- Gratuitous Lifetime Transfers Conditioned on Surviving the Decedent



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## IRC § 2038

- Gratuitous Transfers in Which the Decedent Retained the Right to Alter, Amend, or Revoke the Gift



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## IRC § 2039

- Annuities or Similar Arrangements Purchased by the Decedent and Payable for Life to Both the Annuitant and the Specified Survivor



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## IRC § 2040

- Jointly Held Property Where Another Party Will Obtain the Decedent's Interest at Decedent's Death by Survivorship
  - Spousal Rule
  - Non-Spousal Rule

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## IRC § 2041

- General Powers of Appointment
  - The right to say who can receive assets held in trust, either during life or at the time of death



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## IRC § 2042

- Life Insurance in Which the Decedent Possessed Incidents of Ownership or Which was Payable to or for the Benefit of the Decedent's Estate



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## Life Insurance Policy “Players”

- All life insurance policies have the following “players”:
  - **Owner**
  - **Insured**
  - **Beneficiary**

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## When §2042 is in Effect

- Four Instances
  - When the Owner and the Insured are the same
  - When the estate of the Insured is the beneficiary
  - When the death benefit is required to pay an obligation of the estate
  - When the insured can exercise an “incidence of ownership” in the policy

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## IRC § 2044

- Assets Which Have Qualified for “Qualified Terminable Interest Property” (QTIP) Treatment and Must be Included in the Surviving Spouse’s Estate

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## IRC §§ 2053 and 2054

- The “Deductions”
  - Funeral Expenses
  - Administration Expenses
    - Estate
    - Non-Probate
  - Debts of the Decedent
  - Losses During Administration

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## IRC § 2055

- Transfers for Public, Charitable, and Religious Uses
- A/K/A “The Unlimited Charitable Deduction”

CHARITY



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## IRC § 2056

- Bequests to Qualified Surviving Spouses
  - The Surviving Spouse and the Decedent must have been legally married (as per state law) immediately prior to the Decedent's death
  - The Surviving Spouse must be a citizen of the United States

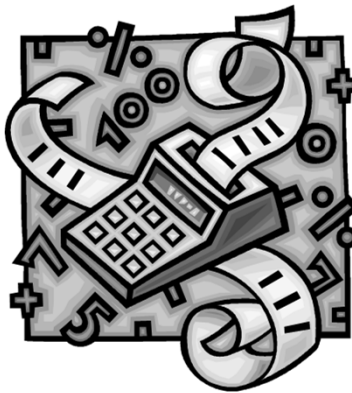
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## IRC § 2058

- State Death Tax Deduction

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## Estate Tax Calculation



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## Determine the “Gross Estate”

- Internal Revenue Code Section 2033 through 2044
- Highest and Best Potential Use
- Consider the Section 2032 Election

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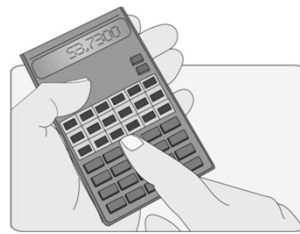
## Determine the “Net Taxable Estate”

- Funeral Expenses
- Estate Administration Expenses
- Debts of the Decedent
- Net Losses During Administration
- Non-Probate Administration Expenses
- Unlimited Charitable Deduction
- Unlimited Marital Deduction

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## Determine the “Adjusted Taxable Estate”

- This calculation is only used for certain state estate tax issues
- The “Net Taxable Estate” is reduced by \$60,000 to arrive at the “Adjusted Taxable Estate”
- This figure will be used in the calculation of the “State Death Tax Credit”



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## Calculate the Tax on the Taxable Estate

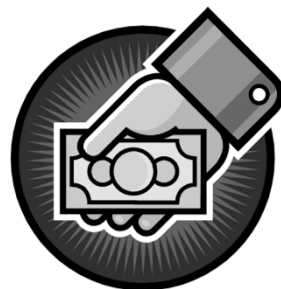
- Refer to the tax rate structure as established by the 1976 tax act as modified to date



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## Calculate “Net Federal Estate Tax Payable” (The Tax Credits)

- Unified Credit
- Foreign Death Tax Credit
- Credit for Prior Transfers



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## New York Synopsis

- For 2022, the federal estate tax exclusion is \$12,060,000.
- The federal estate tax rate on estates in excess of the exemption amount is 40%
- For 2022, the New York Estate Tax exemption is \$6,110,000.
- The top New York Estate Tax rate is 16%.

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# New York Estate Tax Schedule

## If the New York taxable estate is:

Not over \$500,000  
Over \$ 500,000 but not over \$ 1,000,000  
Over \$ 1,000,000 but not over \$ 1,500,000  
Over \$ 1,500,000 but not over \$ 2,100,000  
Over \$ 2,100,000 but not over \$ 2,600,000  
Over \$ 2,600,000 but not over \$ 3,100,000  
Over \$ 3,100,000 but not over \$ 3,600,000  
Over \$ 3,600,000 but not over \$ 4,100,000  
Over \$ 4,100,000 but not over \$ 5,100,000  
Over \$ 5,100,000 but not over \$ 6,100,000  
Over \$ 6,100,000 but not over \$ 7,100,000  
Over \$ 7,100,000 but not over \$ 8,100,000  
Over \$ 8,100,000 but not over \$ 9,100,000  
Over \$ 9,100,000 but not over \$10,100,000  
Over \$10,100,000

## The tax is:

3.06% of taxable estate  
\$ 15,300 plus 5.0% of excess over \$ 500,000  
\$ 40,300 plus 5.5% of excess over \$ 1,000,000  
\$ 67,800 plus 6.5% of excess over \$ 1,500,000  
\$106,800 plus 8.0% of excess over \$ 2,100,000  
\$146,800 plus 8.8% of excess over \$ 2,600,000  
\$190,800 plus 9.6% of excess over \$ 3,100,000  
\$238,800 plus 10.4% of excess over \$ 3,600,000  
\$290,800 plus 11.2% of excess over \$ 4,100,000  
\$402,800 plus 12.0% of excess over \$ 5,100,000  
\$522,800 plus 12.8% of excess over \$ 6,100,000  
\$650,800 plus 13.6% of excess over \$ 7,100,000  
\$786,800 plus 14.4% of excess over \$ 8,100,000  
\$930,800 plus 15.2% of excess over \$ 9,100,000  
\$1,082,800 plus 16.0% of excess over \$10,100,000

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## The “Exemption Cliff”

- The New York State exemption is phased out if a taxable estate exceeds 105% of the exemption amount (for 2022: \$6,110,000). This is referred to as the New York State “Exemption Cliff”.
- If the estate exceeds \$6,415,500 (for 2022), the estate gets no New York State exemption and is taxed on the first dollar of the estate.
- **In other words, it is not simply the excess over the exemption that is subject to the tax, but the entire value of the estate that is taxed.**

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## “Exemption Cliff” Example

- If your taxable estate is valued at \$5,000,000, the New York State Estate Tax would be \$0.
  - Your beneficiaries would inherit \$5,000,000, less any estate administration expenses.
- If your taxable estate is valued at \$6,110,000, the New York State Estate Tax would be \$0.
  - Your beneficiaries would inherit \$6,110,000, less any estate administration expenses.

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## “Exemption Cliff” Example (cont.)

- If your taxable estate is valued between \$6,110,000 and \$6,415,500, you would only pay New York State Estate Tax on the amount exceeding the \$6,110,000 threshold.
  - Therefore, if your estate is valued at \$6,180,000, your taxable estate would be only \$70,000 and the New York State Estate Tax would be \$173,898.
  - Your beneficiaries would inherit \$6,006,102, less any estate administration expenses, from a \$6,180,000 estate, which is \$103,898 less than what they would inherit from a \$6,110,000 estate.

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## “Exemption Cliff” Example (cont.)

- If your taxable estate is valued at \$6,450,000, you would fall off the cliff, the basic exclusion amount would be zero, and your entire \$6,450,000 estate would be taxable and subject to a New York State Estate Tax of \$567,600.
  - Your beneficiaries would inherit \$5,882,400, less any estate administration expenses, from a \$6,450,000 estate.

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## The “Santa Clause”

- For clients whose estates are slightly above the 105% “Exemption Cliff”, there is a solution known as the “Santa Clause”.
- If the client’s Will includes charitable bequests equal to the amount of the estate in excess of the New York State exemption, the family would net more funds than without this charitable bequest.

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## “Santa Clause Example”

	Net to Family w/o Charitable Bequest	Net to Family w/ Charitable Bequest
Gross Estate	\$6,450,000	\$6,450,000
Bequest to Charity of amount over Tax Exemption	- 0	- 340,000
Taxable Estate	6,450,000	6,110,000
NYS Estate Tax	567,600	0
Net to Family	5,882,400	6,110,000

## No “Portability” for New York

- New York State does not allow portability in calculating the New York State estate tax.
  - This means that if the first spouse’s exemption is not fully used to shield \$6,110,000 in assets from estate tax upon that first spouse’s death, the unused exemption does not pass to and cannot be used by the surviving spouse’s estate.

## Solution for No New York “Portability”

- A client can create a trust which states that upon the first spouse’s death, said trust would benefit the surviving spouse.
  - The Trust would be funded with assets in value up to the New York State exemption.
  - The assets in this trust (known as an “Exemption Trust”) will not be taxable to the first spouse’s estate as it is shielded by his or her exemption.
  - More importantly, the assets in the trust (plus all subsequent appreciation in value) will not be counted as part of the surviving spouse’s taxable estate.

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## “Pick-Up” Tax

- The New York Estate Tax is a “pick-up” tax. This means New York essentially relies on federal estate tax law to define the taxable estate (with some minor exceptions).
- **“Includable Gifts”**
  - Gifts of New York property (real or personal) made after March 31, 2014 are subject to New York Estate Tax if they were made within three years of the date of the death of the decedent

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## Application of Tax

- The New York Estate Tax applies to probate and non-probate property (such as life insurance proceeds, IRAs and qualified plans, accounts with POD or TOD beneficiaries, and jointly titled accounts).

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## New Jersey Synopsis

- Commencing January 1, 2018, New Jersey repealed their Estate Tax.
- New Jersey continues to have an Inheritance Tax.

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# New Jersey Inheritance Tax Rates

Beneficiary or Transferee	Tax Rate for Each Beneficiary or Transferee
Class A	No tax is due
Class C	First \$25,000.....No tax is due Next \$1,075,000.....11% Next \$300,000.....13% Next \$300,000.....14% Over \$1,700,000.....16%
Class D	First \$700,000.....15%* Over \$700,000.....16%
Class E	No tax is due

## Application of Tax

- The New Jersey Inheritance Tax applies to probate and non-probate property (such as life insurance proceeds, IRAs and qualified plans, accounts with POD or TOD beneficiaries, and jointly titled accounts).

## Connecticut Synopsis

- Connecticut has both an estate tax and a gift tax
- Tax is similar (but not identical) to the Federal estate and gift tax

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## Connecticut Estate Tax

- Applies to resident and non-resident estates
- Estate Tax Exclusion
  - 2021: \$7,100,000
  - 2022: \$9,100,000
  - 2023 and beyond: The then current Federal Estate Tax exemption
- Resident Estate
  - Decedent was domiciled in Connecticut
- Non-resident Estate
  - Decedent was not domiciled in Connecticut but Decedent, at time of death, owned real or personal property in Connecticut

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## Connecticut Gift Tax

- Applies to Connecticut taxable gifts made by a resident or nonresident of Connecticut on or after January 1, 2005
  - Connecticut resident – all real and tangible personal property located in Connecticut and intangible personal property wherever located
  - Nonresident of Connecticut - all real and tangible personal property located in Connecticut
- Annual exclusion (currently \$16,000) applies

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## Connecticut Estate and Gift Tax Table

Value of Taxable Estate or Gift	Marginal Tax Rates		
	2020	2021	2022
Up to \$5,100,000	None	None	None
\$5,100,001 to \$6,100,000	10.0%		
\$6,100,001 to \$7,100,000	10.4%		
\$7,100,001 to \$8,100,000	10.8%	10.8%	
\$8,100,001 to \$9,100,000	11.2%	11.2%	
\$9,100,001 to \$10,100,000	11.6%	11.6%	11.6%
\$10,100,001 and greater	12.0%	12.0%	12.0%

## Tax Cut and Jobs Act of 2017

- Made domicile planning more important due to :
  - Limitation on state and local income tax deduction to \$10,000
  - Limitation on home mortgage interest deduction to interest on \$750,000 of acquisition indebtedness

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## The State Attitude

- States do not see the “humor” in domicile planning
- Certain States are aggressive in what they see as their right to enforce domicile
  - California
  - New York

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## The Effect of Domicile on Estate and Financial Planning

- Domicile Defined - **“A fixed, permanent, and principal home to which a person, wherever temporarily located, always intends to return”**

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## Significance of Domicile

- Disposition of Property
- Appointment of Fiduciaries
- Impact of Death Taxes
- Asset Protection Issues

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## Types of Domicile

- Domicile of Origin
- Domicile of Choice
- Domicile by Operation of Law



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## Domicile Planning Checklist

- Residence
- Registration
- Banking
- Memberships
- Credit Accounts
- Securities



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## Domicile Planning Checklist (cont.)

- Personal Property
- Wills and Testamentary Interests
- Other Legal Documents
- Taxes



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## Overview

- This course is designed to teach the participant how to prepare a New York Form ET-706 “line-by-line”
- An understanding of the basics of estate and gift taxation would be helpful to the participant.
- The New York Estate Tax Return is based upon the “pick-up” concept. Therefore, in order to prepare the return, you must first prepare a Federal Estate Tax Return (Federal Form 706).
- Modifications and adjustments are then made to the Federal Form 706 to arrive at the New York Estate Tax.

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## Reviewing the Federal Form 706

- The main portion of the Form 706 can be broken down into six separate areas:
  - Part 1 – Decedent and Executor Information
  - Part 2 – Tax Computation
  - Part 3 – Elections by the Executor
  - Part 4 – General Information
  - Part 5 – Recapitulation (from the Schedules)
  - Part 6 – Portability of Deceased Spousal Unused Exclusion (DSUE)

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## Part 1 – Decedent and Executor Information

- Lines 1(a) and 1(b) – Decedent's Name
- Line 2 – Decedent's Social Security Number
- Lines 3(a) and 3(b) – Domicile Information
- Lines 4 and 5 – Birth and Death Dates
- Lines 6(a), 6(b), 6(c), and 6(d) – Executor Information
- Lines 7(a) and 7(b) – Probate Court Information
- Line 8 – Testate or Intestate Estate
- Line 9 – Statement of Extension of Time
- Line 10 – Statement of Filing Schedule R-1 (Generation Skipping Transfer Tax Direct Skip)
- Line 11 – Estimation of Value of Estate

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## Part 3 – Elections by the Executor

- Line 1 – Alternate Valuation
- Line 2 – Special Use Valuation
- Line 3 – IRC §6166 Election
- Line 4 – IRC §6163 Election

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## Part 4 – General Information

- Authorization Statement
  - Gives IRS permission to send confidential information to the estate attorney, accountant, or enrolled agent
- Must be signed by the professional
- Line 1 – Death Certificate Number
- Line 2 – Decedent's Business or Occupation
- Line 3 – Decedent's Marital Status
- Line 4 – Surviving Spouse Information
- Line 5 – List of Individuals Receiving Benefits from the Estate

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## Parts 4 – The “Questions”

- Line 6 – Protective Claim
- Line 7 - §2044 Property Declaration
- Line 8 – Prior Gift Tax Returns
- Line 9 – Insurance on Decedent’s Life not Included on the Return
- Line 10 – Joint Property with Right of Survivorship – Value on the Return
- Line 11 – Valuation Discount - Businesses
- Line 12 – Incomplete Gifts (§§2035, 2036, 2037, and 2038)
- Line 13 – Trust Questions

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## Parts 4 – The “Questions” (continued)

- Line 14 – §2041 – General Power of Appointment
- Line 15 – Foreign Accounts
- Line 16 – Private Annuity
- Line 17 – §2056(b)(7) – Inclusion of Assets in Surviving Spouse’s Estate

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## Part 5 – Recapitulation – The Schedules

- Schedule A – Real Estate
- Schedule B – Stocks and Bonds
- Schedule C – Mortgages, Notes, and Cash
- Schedule D – Insurance on Decedent's Life
- Schedule E – Jointly Owned Property
- Schedule F – Other Miscellaneous Property
- Schedule G – Transfers During Decedent's Life
- Schedule H – Powers of Appointment
- Schedule I – Annuities

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## Part 5 – Recapitulation – The Schedules (continued)

- Schedule J – Funeral Expenses and Expenses Incurred in Administering Property Subject to Claims
- Schedule K – Debts of the Decedent and Mortgages and Liens
- Schedule L – Net Losses During Administration
- Schedule M – Bequests to Surviving Spouse
- Schedule O – Charitable, Public, and Similar Gifts and Bequests

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## Part 6 – Portability of Deceased Spousal Unused Exclusion (DSUE)

- Statement of Portability Election
- Section A – Opting Out of Portability
- Section B – QDOT
- Section C – DSUE Amount Portable to Surviving Spouse
- Section D – DSUE Amount Received from Predeceased Spouse

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## Part 2 – Tax Computation

- Line 1 – Total Gross Estate less Exclusion
- Line 2 – Tentative Total Allowable Deductions
- Line 3(a) – Tentative Taxable Estate
- Line 3(b) – State Death Tax Deduction
- Line 3(c) – Taxable Estate
- Line 4 – Adjusted Taxable Gifts
- Line 5 – Add Lines 3(c) and 4
- Line 6 – Tentative Tax on Line 5
- Line 7 – Total Gift Tax Paid or Payable
- Line 8 – Gross Estate Tax

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## Part 2 – Tax Computation Continued)

- Line 9(a) – Basic Exclusion Amount
- Line 9(b) – DSUE Amount
- Line 9(c) – Applicable Exclusion Amount
- Line 10 – Adjustment to Applicable Credit Amount
- Line 11 – Allowable Applicable Credit Amount
- Line 12 – Subtract Line 11 from Line 8
- Line 13 – Credit for Foreign Death Taxes
- Line 14 – Credit for Tax on Prior Transfers
- Line 15 – Total Credits
- Line 16 – Net Estate Tax
- Line 17 – GST Tax

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## Part 2 – Tax Computation Continued)

- Line 18 – Total Transfer Taxes
- Line 19 – Prior Payments
- Line 20 – Balance Due

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## Reviewing the Form ET-706

- The main portion of the Form ET-706 can be broken down into eight separate areas:
  - Decedent information
  - Tax Computation
  - Schedule A – Computation of New York State Taxable Estate (Resident and Non-Resident)
  - Schedule B – Property Located Outside of New York State

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## Reviewing the Form ET-706 (cont.)

- -Continued-
  - Schedule C – New York Property of a Non-resident Individual Taxable Estate
  - Schedule D– Taxable Gifts
  - Schedule E – Computation of Allowable New York Deductions
  - Schedule F – Description of Litigation or Cause of Action

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## Contact Information

**Werner-Rocca Seminars, Ltd.**

**(215) 545-4181**

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**Follow us on Twitter [@ILectureCPAs](#) or [@WernerRocca](#)**

# United States Estate (and Generation-Skipping Transfer) Tax Return

► Estate of a citizen or resident of the United States (see instructions). To be filed for decedents dying after December 31, 2018.

► Go to [www.irs.gov/Form706](http://www.irs.gov/Form706) for instructions and the latest information.

<b>Part 1 — Decedent and Executor</b>	<b>1a</b> Decedent's first name and middle initial (and maiden name, if any)	<b>1b</b> Decedent's last name	<b>2</b> Decedent's social security no.	
	<b>3a</b> City, town, or post office; county; state or province; country; and ZIP or foreign postal code	<b>3b</b> Year domicile established	<b>4</b> Date of birth	<b>5</b> Date of death
		<b>6b</b> Executor's address (number and street including apartment or suite no.; city, town, or post office; state or province; country; and ZIP or foreign postal code) and phone no.		
	<b>6a</b> Name of executor (see instructions)	Phone no.		
	<b>6c</b> Executor's social security number (see instructions)			
	<b>6d</b> If there are multiple executors, check here <input type="checkbox"/> and attach a list showing the names, addresses, telephone numbers, and SSNs of the additional executors.			
	<b>7a</b> Name and location of court where will was probated or estate administered			<b>7b</b> Case number
<b>8</b> If decedent died testate, check here <input type="checkbox"/> and attach a certified copy of the will.		<b>9</b> If you extended the time to file this Form 706, check here <input type="checkbox"/>		
<b>10</b> If Schedule R-1 is attached, check here <input type="checkbox"/>		<b>11</b> If you are estimating the value of assets included in the gross estate on line 1 pursuant to the special rule of Reg. section 20.2010-2(a)(7)(ii), check here <input type="checkbox"/>		

<b>Part 2 — Tax Computation</b>	<b>1</b> Total gross estate less exclusion (from Part 5—Recapitulation, item 13)	<b>1</b>
	<b>2</b> Tentative total allowable deductions (from Part 5—Recapitulation, item 24)	<b>2</b>
	<b>3a</b> Tentative taxable estate (subtract line 2 from line 1)	<b>3a</b>
	<b>b</b> State death tax deduction	<b>3b</b>
	<b>c</b> Taxable estate (subtract line 3b from line 3a)	<b>3c</b>
	<b>4</b> Adjusted taxable gifts (see instructions)	<b>4</b>
	<b>5</b> Add lines 3c and 4	<b>5</b>
	<b>6</b> Tentative tax on the amount on line 5 from Table A in the instructions	<b>6</b>
	<b>7</b> Total gift tax paid or payable (see instructions)	<b>7</b>
	<b>8</b> Gross estate tax (subtract line 7 from line 6)	<b>8</b>
	<b>9a</b> Basic exclusion amount	<b>9a</b>
	<b>b</b> Deceased spousal unused exclusion (DSUE) amount from predeceased spouse(s), if any (from Section D, Part 6—Portability of Deceased Spousal Unused Exclusion)	<b>9b</b>
	<b>c</b> Restored exclusion amount (see instructions)	<b>9c</b>
	<b>d</b> Applicable exclusion amount (add lines 9a, 9b, and 9c)	<b>9d</b>
	<b>e</b> Applicable credit amount (tentative tax on the amount in line 9d from Table A in the instructions)	<b>9e</b>
	<b>10</b> Adjustment to applicable credit amount (May not exceed \$6,000. See instructions.)	<b>10</b>
	<b>11</b> Allowable applicable credit amount (subtract line 10 from line 9e)	<b>11</b>
	<b>12</b> Subtract line 11 from line 8 (but do not enter less than zero)	<b>12</b>
	<b>13</b> Credit for foreign death taxes (from Schedule P). (Attach Form(s) 706-CE.)	<b>13</b>
	<b>14</b> Credit for tax on prior transfers (from Schedule Q)	<b>14</b>
<b>15</b> Total credits (add lines 13 and 14)	<b>15</b>	
<b>16</b> Net estate tax (subtract line 15 from line 12)	<b>16</b>	
<b>17</b> Generation-skipping transfer (GST) taxes payable (from Schedule R, Part 2, line 10)	<b>17</b>	
<b>18</b> Total transfer taxes (add lines 16 and 17)	<b>18</b>	
<b>19</b> Prior payments (explain in an attached statement)	<b>19</b>	
<b>20</b> Balance due (or overpayment) (subtract line 19 from line 18)	<b>20</b>	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than the executor) is based on all information of which preparer has any knowledge.

<b>Sign Here</b>	Signature of executor	Date
	Signature of executor	Date

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name	Firm's EIN			
	Firm's address	Phone no.			

Decedent's social security number

**Estate of:**

**Part 3—Elections by the Executor**

**Note:** For information on electing portability of the decedent's DSUE amount, including how to opt out of the election, see Part 6—Portability of Deceased Spousal Unused Exclusion.

**Note:** Some of the following elections may require the posting of bonds or liens.

*Please check "Yes" or "No" for each question. See instructions.*

		Yes	No
<b>1</b>	Do you elect alternate valuation?	<b>1</b>	
<b>2</b>	Do you elect special-use valuation? If "Yes," you must complete and attach Schedule A-1	<b>2</b>	
<b>3</b>	Do you elect to pay the taxes in installments as described in section 6166? If "Yes," you must attach the additional information described in the instructions. <b>Note: By electing section 6166 installment payments, you may be required to provide security for estate tax deferred under section 6166 and interest in the form of a surety bond or a section 6324A lien.</b>	<b>3</b>	
<b>4</b>	Do you elect to postpone the part of the taxes due to a reversionary or remainder interest as described in section 6163?	<b>4</b>	

**Part 4—General Information**

**Note:** Please attach the necessary supplemental documents. **You must attach the death certificate.** See instructions.

Authorization to receive confidential tax information under Reg. section 601.504(b)(2)(i); to act as the estate's representative before the IRS; and to make written or oral presentations on behalf of the estate:

Name of representative (print or type)	State	Address (number, street, and room or suite no., city, state, and ZIP code)	
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I declare that I am the  attorney/  certified public accountant/  enrolled agent (check the applicable box) for the executor. I am not under suspension or disbarment from practice before the Internal Revenue Service and am qualified to practice in the state shown above.

Signature	CAF number	Date	Telephone number
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**1** Death certificate number and issuing authority (attach a copy of the death certificate to this return).

**2** Decedent's business or occupation. If retired, check here  and state decedent's former business or occupation.

**3a** Marital status of the decedent at time of death:  
 Married       Widow/widower       Single       Legally separated       Divorced

**3b** For all prior marriages, list the name and SSN of the former spouse, the date the marriage ended, and whether the marriage ended by annulment, divorce, or death. Attach additional statements of the same size if necessary.

<b>4a</b> Surviving spouse's name	<b>4b</b> Social security number	<b>4c</b> Amount received (see instructions)
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**5** Individuals (other than the surviving spouse), trusts, or other estates who receive benefits from the estate (do not include charitable beneficiaries shown in Schedule O) (see instructions).

Name of individual, trust, or estate receiving \$5,000 or more	Identifying number	Relationship to decedent	Amount (see instructions)

All unascertainable beneficiaries and those who receive less than \$5,000

**Total**

**If you answer "Yes" to any of the following questions, you must attach additional information as described.**

	Yes	No
<b>6</b> Is the estate filing a protective claim for refund? If "Yes," complete and attach two copies of Schedule PC for each claim.		
<b>7</b> Does the gross estate contain any section 2044 property (qualified terminable interest property (QTIP) from a prior gift or estate)? See instructions		
<b>8a</b> Have federal gift tax returns ever been filed? If "Yes," attach copies of the returns, if available, and furnish the following information.		
<b>b</b> Period(s) covered	<b>c</b> Internal Revenue office(s) where filed	
<b>9a</b> Was there any insurance on the decedent's life that is not included on the return as part of the gross estate?		
<b>b</b> Did the decedent own any insurance on the life of another that is not included in the gross estate?		

Decedent's social security number

Estate of:

Part 4—General Information (continued)

If you answer "Yes" to any of the following questions, you must attach additional information as described.		Yes	No
10	Did the decedent at the time of death own any property as a joint tenant with right of survivorship in which (a) one or more of the other joint tenants was someone other than the decedent's spouse, and (b) less than the full value of the property is included on the return as part of the gross estate? If "Yes," you must complete and attach Schedule E . . . . .		
11a	Did the decedent, at the time of death, own any interest in a partnership (for example, a family limited partnership), an unincorporated business, or a limited liability company; or own any stock in an inactive or closely held corporation? . . . . .		
b	If "Yes," was the value of any interest owned (from above) discounted on this estate tax return? If "Yes," see the instructions on reporting the total accumulated or effective discounts taken on Schedule F or G . . . . .		
12	Did the decedent make any transfer described in sections 2035, 2036, 2037, or 2038? See instructions. If "Yes," you must complete and attach Schedule G . . . . .		
13a	Were there in existence at the time of the decedent's death any trusts created by the decedent during his or her lifetime? . . . . .		
b	Were there in existence at the time of the decedent's death any trusts not created by the decedent under which the decedent possessed any power, beneficial interest, or trusteeship? . . . . .		
c	Was the decedent receiving income from a trust created after October 22, 1986, by a parent or grandparent? . . . . . If "Yes," was there a GST taxable termination (under section 2612) on the death of the decedent? . . . . .		
d	If there was a GST taxable termination (under section 2612), attach a statement to explain. Provide a copy of the trust or will creating the trust, and give the name, address, and phone number of the current trustee(s).		
e	Did the decedent at any time during his or her lifetime transfer or sell an interest in a partnership, limited liability company, or closely held corporation to a trust described in line 13a or 13b? . . . . . If "Yes," provide the EIN for this transferred/sold item. ▶		
14	Did the decedent ever possess, exercise, or release any general power of appointment? If "Yes," you must complete and attach Schedule H		
15	Did the decedent have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? . . . . .		
16	Was the decedent, immediately before death, receiving an annuity described in the "General" paragraph of the instructions for Schedule I or a private annuity? If "Yes," you must complete and attach Schedule I . . . . .		
17	Was the decedent ever the beneficiary of a trust for which a deduction was claimed by the estate of a predeceased spouse under section 2056(b)(7) and which is not reported on this return? If "Yes," attach an explanation . . . . .		

Part 5—Recapitulation. Note: If estimating the value of one or more assets pursuant to the special rule of Reg. section 20.2010-2(a)(7)(ii), enter on both lines 10 and 23 the amount noted in the instructions for the corresponding range of values. See instructions for details.

Item no.	Gross estate	Alternate value	Value at date of death
1	Schedule A—Real Estate . . . . .	1	
2	Schedule B—Stocks and Bonds . . . . .	2	
3	Schedule C—Mortgages, Notes, and Cash . . . . .	3	
4	Schedule D—Insurance on the Decedent's Life (attach Form(s) 712) . . . . .	4	
5	Schedule E—Jointly Owned Property (attach Form(s) 712 for life insurance) . . . . .	5	
6	Schedule F—Other Miscellaneous Property (attach Form(s) 712 for life insurance) . . . . .	6	
7	Schedule G—Transfers During Decedent's Life (att. Form(s) 712 for life insurance) . . . . .	7	
8	Schedule H—Powers of Appointment . . . . .	8	
9	Schedule I—Annuities . . . . .	9	
10	Estimated value of assets subject to the special rule of Reg. section 20.2010-2(a)(7)(ii)	10	
11	Total gross estate (add items 1 through 10) . . . . .	11	
12	Schedule U—Qualified Conservation Easement Exclusion . . . . .	12	
13	Total gross estate less exclusion (subtract item 12 from item 11). Enter here and on line 1 of Part 2—Tax Computation . . . . .	13	

Item no.	Deductions	Amount
14	Schedule J—Funeral Expenses and Expenses Incurred in Administering Property Subject to Claims . . . . .	14
15	Schedule K—Debts of the Decedent . . . . .	15
16	Schedule K—Mortgages and Liens . . . . .	16
17	Total of items 14 through 16 . . . . .	17
18	Allowable amount of deductions from item 17 (see the instructions for item 18 of the Recapitulation) . . . . .	18
19	Schedule L—Net Losses During Administration . . . . .	19
20	Schedule L—Expenses Incurred in Administering Property Not Subject to Claims . . . . .	20
21	Schedule M—Bequests, etc., to Surviving Spouse . . . . .	21
22	Schedule O—Charitable, Public, and Similar Gifts and Bequests . . . . .	22
23	Estimated value of deductible assets subject to the special rule of Reg. section 20.2010-2(a)(7)(ii) . . . . .	23
24	Tentative total allowable deductions (add items 18 through 23). Enter here and on line 2 of the Tax Computation	24

<b>Estate of:</b>	<b>Decedent's social security number</b>
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**Part 6—Portability of Deceased Spousal Unused Exclusion (DSUE)**

**Portability Election**

A decedent with a surviving spouse elects portability of the DSUE amount, if any, by completing and timely filing this return. No further action is required to elect portability of the DSUE amount to allow the surviving spouse to use the decedent's DSUE amount.

**Section A. Opting Out of Portability**

The estate of a decedent with a surviving spouse may opt out of electing portability of the DSUE amount. Check here and do not complete Sections B and C of Part 6 only if the estate opts **NOT** to elect portability of the DSUE amount.

**Section B. Qualified Domestic Trust (QDOT)**

Are any assets of the estate being transferred to a QDOT? Yes No  
 If "Yes," the DSUE amount portable to a surviving spouse (calculated in Section C, below) is preliminary and shall be redetermined at the time of the final distribution or other taxable event imposing estate tax under section 2056A. See instructions for more details.

**Section C. DSUE Amount Portable to the Surviving Spouse** (To be completed by the estate of a decedent making a portability election.)

Complete the following calculation to determine the DSUE amount that can be transferred to the surviving spouse.

1 Enter the amount from line 9d, Part 2—Tax Computation . . . . .	<b>1</b>	
2 Reserved . . . . .	<b>2</b>	
3 Enter the value of the cumulative lifetime gifts on which tax was paid or payable. See instructions . . . . .	<b>3</b>	
4 Add lines 1 and 3 . . . . .	<b>4</b>	
5 Enter amount from line 10, Part 2—Tax Computation . . . . .	<b>5</b>	
6 Divide amount on line 5 by 40% (0.40) (do not enter less than zero) . . . . .	<b>6</b>	
7 Subtract line 6 from line 4 . . . . .	<b>7</b>	
8 Enter the amount from line 5, Part 2—Tax Computation . . . . .	<b>8</b>	
9 Subtract line 8 from line 7 (do not enter less than zero) . . . . .	<b>9</b>	
10 DSUE amount portable to surviving spouse (Enter lesser of line 9 or line 9a, Part 2—Tax Computation) . . . . .	<b>10</b>	

**Section D. DSUE Amount Received From Predeceased Spouse(s)** (To be completed by the estate of a deceased surviving spouse with DSUE amount from predeceased spouse(s))

Provide the following information to determine the DSUE amount received from deceased spouses.

A Name of Deceased Spouse (dates of death after December 31, 2010, only)	B Date of Death (enter as mm/dd/yy)	C Portability Election Made?		D If "Yes," DSUE Amount Received From Spouse	E DSUE Amount Applied by Decedent to Lifetime Gifts	F Year of Form 709 Reporting Use of DSUE Amount Listed in col. E	G Remaining DSUE Amount, if any (subtract col. E from col. D)
		Yes	No				
<b>Part 1 — DSUE RECEIVED FROM LAST DECEASED SPOUSE</b>							
<b>Part 2 — DSUE RECEIVED FROM OTHER PREDECEASED SPOUSE(S) AND USED BY DECEDENT</b>							
<b>Total</b> (for all DSUE amounts from predeceased spouse(s) applied) . . . . .							

Add the amount from Part 1, column D, and the total from Part 2, column E. Enter the result on line 9b, Part 2—Tax Computation ▶

<b>Estate of:</b>	<b>Decedent's social security number</b>
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**SCHEDULE A—Real Estate**

- For jointly owned property that must be disclosed on Schedule E, see instructions.
- Real estate that is part of a sole proprietorship should be shown on Schedule F.
- Real estate that is included in the gross estate under sections 2035, 2036, 2037, or 2038 should be shown on Schedule G.
- Real estate that is included in the gross estate under section 2041 should be shown on Schedule H.
- If you elect section 2032A valuation, you must complete Schedule A and Schedule A-1.

**Note:** If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

Item number	Description	Alternate valuation date	Alternate value	Value at date of death
1				
Total from continuation schedules or additional statements attached to this schedule . . . . .				
<b>TOTAL</b> (Also enter on Part 5—Recapitulation, page 3, at item 1.) . . . . .				

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

<b>Estate of:</b>	<b>Decedent's social security number</b>
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**SCHEDULE A-1 – Section 2032A Valuation**

**Part 1. Type of Election** (Before making an election, see the checklist in the instructions):

- Protective election (Reg. section 20.2032A-8(b)).** Complete Part 2, line 1, and column A of lines 3 and 4. See instructions.
- Regular election.** Complete all of Part 2 (including line 11, if applicable) and Part 3. See instructions.

Before completing Schedule A-1, see the instructions for the information and documents that must be included to make a valid election.

The election is not valid unless the agreement (that is, *Part 3. Agreement to Special Valuation Under Section 2032A*):

- Is signed by each qualified heir with an interest in the specially valued property, and
- Is attached to this return when it is filed.

**Part 2. Notice of Election** (Reg. section 20.2032A-8(a)(3))

**Note:** All real property entered on lines 2 and 3 must also be entered on Schedules A, E, F, G, or H, as applicable.

- 1** Qualified use—check one  Farm used for farming, or  
 Trade or business other than farming

**2** Real property used in a qualified use, passing to qualified heirs, and to be specially valued on this Form 706.

<b>A</b> Schedule and item number from Form 706	<b>B</b> Full value (without section 2032A(b)(3)(B) adjustment)	<b>C</b> Adjusted value (with section 2032A(b)(3)(B) adjustment)	<b>D</b> Value based on qualified use (without section 2032A(b)(3)(B) adjustment)
<b>Totals</b> . . . . .			

**Attach a legal description of all property listed on line 2.**

**Attach copies of appraisals showing the column B values for all property listed on line 2.**

**3** Real property used in a qualified use, passing to qualified heirs, but not specially valued on this Form 706.

<b>A</b> Schedule and item number from Form 706	<b>B</b> Full value (without section 2032A(b)(3)(B) adjustment)	<b>C</b> Adjusted value (with section 2032A(b)(3)(B) adjustment)	<b>D</b> Value based on qualified use (without section 2032A(b)(3)(B) adjustment)
<b>Totals</b> . . . . .			

**If you checked "Regular election," you must attach copies of appraisals showing the column B values for all property listed on line 3.**  
*(continued on next page)*



**Estate of:** \_\_\_\_\_ **Decedent's social security number** \_\_\_\_\_

**4** Personal property used in a qualified use and passing to qualified heirs.

A Schedule and item number from Form 706	B Adjusted value (with section 2032A(b)(3)(B) adjustment)	A (continued) Schedule and item number from Form 706	B (continued) Adjusted value (with section 2032A(b)(3)(B) adjustment)
		"Subtotal" from col. B, below left	
Subtotal . . . . .		<b>Total adjusted value . . . . .</b>	

**5** Enter the value of the total gross estate as adjusted under section 2032A(b)(3)(A). ▶ \_\_\_\_\_

**6 Attach a description of the method used to determine the special value based on qualified use.**

**7** Did the decedent and/or a member of his or her family own all property listed on line 2 for at least 5 of the 8 years immediately preceding the date of the decedent's death? . . . . .

**8** Were there any periods during the 8-year period preceding the date of the decedent's death during which the decedent or a member of his or her family:

- a** Did not own the property listed on line 2? . . . . .
- b** Did not use the property listed on line 2 in a qualified use? . . . . .
- c** Did not materially participate in the operation of the farm or other business within the meaning of section 2032A(e)(6)?  
If you answered "Yes" to any of the above, attach a statement listing the periods. If applicable, describe whether the exceptions of sections 2032A(b)(4) or (5) are met.

Yes	No

**9 Attach affidavits describing the activities constituting material participation and the identity and relationship to the decedent of the material participants.**

**10** Persons holding interests. Enter the requested information for each party who received any interest in the specially valued property. **(Each of the qualified heirs receiving an interest in the property must sign the agreement, to be found on Part 3 of this Schedule A-1, and the agreement must be filed with this return.)**

	Name	Address		
A				
B				
C				
D				
E				
F				
G				
H				
	Identifying number	Relationship to decedent	Fair market value	Special-use value
A				
B				
C				
D				
E				
F				
G				
H				

**You must attach a computation of the GST tax savings attributable to direct skips for each person listed above who is a skip person. See instructions.**

**11 Woodlands election.** Check here  if you wish to make a Woodlands election as described in section 2032A(e)(13). Enter the schedule and item numbers from Form 706 of the property for which you are making this election ▶ \_\_\_\_\_

Attach a statement explaining why you are entitled to make this election. The IRS may issue regulations that require more information to substantiate this election. You will be notified by the IRS if you must supply further information.

<b>Estate of:</b>	<b>Decedent's social security number</b>
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**Part 3. Agreement to Special Valuation Under Section 2032A**

There cannot be a valid election unless:

- The agreement is executed by each one of the qualified heirs, and
- The agreement is included with the estate tax return when the estate tax return is filed.

We (list all qualified heirs)

\_\_\_\_\_ ,  
 \_\_\_\_\_ ,  
 being all the qualified heirs and (list all other persons having an interest in the property required to sign this agreement)

\_\_\_\_\_ ,  
 \_\_\_\_\_ ,  
 being all other parties having interests in the property, which is qualified real property and which is valued under section 2032A, do hereby approve of the election made by \_\_\_\_\_ ,  
 Executor/Administrator of the estate of \_\_\_\_\_ ,  
 pursuant to section 2032A to value said property on the basis of the qualified use to which the property is devoted and do hereby enter into this agreement pursuant to section 2032A(d).

The undersigned agree and consent to the application of subsection (c) of section 2032A with respect to all the property described on Form 706, Schedule A-1, Part 2, line 2, attached to this agreement. More specifically, the undersigned heirs expressly agree and consent to personal liability under subsection (c) of 2032A for the additional estate and GST taxes imposed by that subsection with respect to their respective interests in the above-described property in the event of certain early dispositions of the property or early cessation of the qualified use of the property. It is understood that if a qualified heir disposes of any interest in qualified real property to any member of his or her family, such member may thereafter be treated as the qualified heir with respect to such interest upon filing a Form 706-A, United States Additional Estate Tax Return, and a new agreement.

The undersigned interested parties who are not qualified heirs consent to the collection of any additional estate and GST taxes imposed under section 2032A(c) from the specially valued property.

If there is a disposition of any interest which passes, or has passed to him or her, or if there is a cessation of the qualified use of any specially valued property which passes or passed to him or her, each of the undersigned heirs agrees to file a Form 706-A, and pay any additional estate and GST taxes due within 6 months of the disposition or cessation.

It is understood by all interested parties that this agreement is a condition precedent to the election of special-use valuation under section 2032A and must be executed by every interested party even though that person may not have received the estate (or GST) tax benefits or be in possession of such property.

Each of the undersigned understands that by making this election, a lien will be created and recorded pursuant to section 6324B on the property referred to in this agreement for the adjusted tax differences with respect to the estate as defined in section 2032A(c)(2) (C).

As the interested parties, the undersigned designate the following individual as their agent for all dealings with the Internal Revenue Service concerning the continued qualification of the specially valued property under section 2032A and on all issues regarding the special lien under section 6324B. The agent is authorized to act for the parties with respect to all dealings with the Internal Revenue Service on matters affecting the qualified real property described earlier. This includes the authorization:

- To receive confidential information on all matters relating to continued qualification under section 2032A of the specially valued real property and on all matters relating to the special lien arising under section 6324B;
- To furnish the Internal Revenue Service with any requested information concerning the property;
- To notify the Internal Revenue Service of any disposition or cessation of qualified use of any part of the property;
- To receive, but not to endorse and collect, checks in payment of any refund of Internal Revenue taxes, penalties, or interest;
- To execute waivers (including offers of waivers) of restrictions on assessment or collection of deficiencies in tax and waivers of notice of disallowance of a claim for credit or refund; and
- To execute closing agreements under section 7121.

*(continued on next page)*

<b>Estate of:</b>	<b>Decedent's social security number</b>
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**Part 3. Agreement to Special Valuation Under Section 2032A** *(continued)*

• Other acts (specify) ► \_\_\_\_\_

By signing this agreement, the agent agrees to provide the Internal Revenue Service with any requested information concerning this property and to notify the Internal Revenue Service of any disposition or cessation of the qualified use of any part of this property.

_____ Name of Agent	_____ Signature	_____ Address
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The property to which this agreement relates is listed in Form 706, United States Estate (and Generation-Skipping Transfer) Tax Return, and in the Notice of Election, along with its fair market value according to section 2031 and its special-use value according to section 2032A. The name, address, social security number, and interest (including the value) of each of the undersigned in this property are as set forth in the attached Notice of Election.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands at \_\_\_\_\_,

this \_\_\_\_\_ day of \_\_\_\_\_.

**SIGNATURES OF EACH OF THE QUALIFIED HEIRS:**

_____ Signature of qualified heir	_____ Signature of qualified heir
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_____ Signature of qualified heir	_____ Signature of qualified heir
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_____ Signature of qualified heir	_____ Signature of qualified heir
--------------------------------------	--------------------------------------

_____ Signature of qualified heir	_____ Signature of qualified heir
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_____ Signature of qualified heir	_____ Signature of qualified heir
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_____ Signature of qualified heir	_____ Signature of qualified heir
--------------------------------------	--------------------------------------

\_\_\_\_\_  
Signatures of other interested parties

\_\_\_\_\_  
Signatures of other interested parties

<b>Estate of:</b>	<b>Decedent's social security number</b>
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### SCHEDULE B—Stocks and Bonds

(For jointly owned property that must be disclosed on Schedule E, see instructions.)

**Note:** If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last four columns.

Item number	Description, including face amount of bonds or number of shares and par value for identification. Give CUSIP number. If trust, partnership, or closely held entity, give EIN.	Unit value	Alternate valuation date	Alternate value	Value at date of death
1	<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">CUSIP number or EIN, where applicable</div>				
Total from continuation schedules (or additional statements) attached to this schedule .					
<b>TOTAL</b> (Also enter on Part 5—Recapitulation, page 3, at item 2.) . . . . .					

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

<b>Estate of:</b>	<b>Decedent's social security number</b>
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### SCHEDULE C—Mortgages, Notes, and Cash

(For jointly owned property that must be disclosed on Schedule E, see instructions.)

**Note:** If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

Item number	Description	Alternate valuation date	Alternate value	Value at date of death
1				
Total from continuation schedules (or additional statements) attached to this schedule .				
<b>TOTAL</b> (Also enter on Part 5—Recapitulation, page 3, at item 3.) . . . . .				

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

<b>Estate of:</b>	<b>Decedent's social security number</b>
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### SCHEDULE D—Insurance on the Decedent's Life

You must list all policies on the life of the decedent and attach a Form 712 for each policy.

**Note:** If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

Item number	Description	Alternate valuation date	Alternate value	Value at date of death
1				
Total from continuation schedules (or additional statements) attached to this schedule .				
<b>TOTAL</b> (Also enter on Part 5—Recapitulation, page 3, at item 4.) . . . . .				

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

<b>Estate of:</b>	<b>Decedent's social security number</b>
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**SCHEDULE E—Jointly Owned Property**

(If you elect section 2032A valuation, you must complete Schedule E and Schedule A-1.)

**PART 1. Qualified Joint Interests—Interests Held by the Decedent and His or Her Spouse as the Only Joint Tenants (Section 2040(b)(2))**

**Note:** If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

Item number	Description. For securities, give CUSIP number. If trust, partnership, or closely held entity, give EIN.	Alternate valuation date	Alternate value	Value at date of death
1	CUSIP number or EIN, where applicable			
Total from continuation schedules (or additional statements) attached to this schedule . . . . .				
<b>1a</b>	Totals . . . . .			<b>1a</b>
<b>b</b>	Amounts included in gross estate (one-half of line 1a) . . . . .			<b>1b</b>

**PART 2. All Other Joint Interests**

**2a** State the name and address of each surviving co-tenant. If there are more than three surviving co-tenants, list the additional co-tenants on an attached statement.

Name	Address (number and street, city, state, and ZIP code)
<b>A.</b>	
<b>B.</b>	
<b>C.</b>	

Item number	Enter letter for co-tenant	Description (including alternate valuation date, if any). For securities, give CUSIP number. If trust, partnership, or closely held entity, give EIN	Percentage includible	Includible alternate value	Includible value at date of death
1		CUSIP number or EIN, where applicable			
Total from continuation schedules (or additional statements) attached to this schedule . . . . .					
<b>b</b>	Total other joint interests . . . . .				<b>2b</b>
<b>3</b>	<b>Total includible joint interests</b> (add lines 1b and 2b). Also enter on Part 5—Recapitulation, page 3, at item 5 . . . . .				<b>3</b>

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

Decedent's social security number

Estate of:

**SCHEDULE F—Other Miscellaneous Property Not Reportable Under Any Other Schedule**

(For jointly owned property that must be disclosed on Schedule E, see instructions.)  
 (If you elect section 2032A valuation, you must complete Schedule F and Schedule A-1.)

**Note:** If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

<b>1</b> Did the decedent own any works of art, items, or any collections whose artistic or collectible value at date of death exceeded \$3,000? . . . . . If "Yes," submit full details on this schedule and attach appraisals.	<b>Yes</b>	<b>No</b>
<b>2</b> Has the decedent's estate, spouse, or any other person received (or will receive) any bonus or award as a result of the decedent's employment or death? . . . . . If "Yes," submit full details on this schedule.		
<b>3</b> Did the decedent at the time of death have, or have access to, a safe deposit box? . . . . . If "Yes," state location, and if held jointly by decedent and another, state name and relationship of joint depositor.		

If any of the contents of the safe deposit box are omitted from the schedules in this return, explain fully why omitted.

Item number	Description. For securities, give CUSIP number. If trust, partnership, or closely held entity, give EIN	CUSIP number or EIN, where applicable	Alternate valuation date	Alternate value	Value at date of death
1					
Total from continuation schedules (or additional statements) attached to this schedule .					
<b>TOTAL</b> (Also enter on Part 5—Recapitulation, page 3, at item 6.) . . . . .					

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)



<b>Estate of:</b>	<b>Decedent's social security number</b>
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**SCHEDULE G—Transfers During Decedent's Life**

(If you elect section 2032A valuation, you must complete Schedule G and Schedule A-1.)

**Note:** If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

Item number	Description. For securities, give CUSIP number. If trust, partnership, or closely held entity, give EIN	Alternate valuation date	Alternate value	Value at date of death
<b>A.</b>	Gift tax paid or payable by the decedent or the estate for all gifts made by the decedent or his or her spouse within 3 years before the decedent's death (section 2035(b)) . . . . .	X X X X X		
<b>B.</b>	Transfers includible under sections 2035(a), 2036, 2037, or 2038:			
<b>1</b>				
Total from continuation schedules (or additional statements) attached to this schedule .				
<b>TOTAL</b> (Also enter on Part 5—Recapitulation, page 3, at item 7.) . . . . .				

**SCHEDULE H—Powers of Appointment**

(Include "5 and 5 lapsing" powers (section 2041(b)(2)) held by the decedent.)  
 (If you elect section 2032A valuation, you must complete Schedule H and Schedule A-1.)

**Note:** If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

Item number	Description	Alternate valuation date	Alternate value	Value at date of death
<b>1</b>				
Total from continuation schedules (or additional statements) attached to this schedule .				
<b>TOTAL</b> (Also enter on Part 5—Recapitulation, page 3, at item 8.) . . . . .				

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

<b>Estate of:</b>	<b>Decedent's social security number</b>
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**SCHEDULE I—Annuities**

**Note:** Generally, no exclusion is allowed for the estates of decedents dying after December 31, 1984. See instructions.

**Note:** If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

<b>A</b> Are you excluding from the decedent's gross estate the value of a lump-sum distribution described in section 2039(f)(2) (as in effect before its repeal by the Deficit Reduction Act of 1984)? . . . . .	<b>Yes</b>	<b>No</b>
If "Yes," you must attach the information required by the instructions.		

Item number	Description. Show the entire value of the annuity before any exclusions	Alternate valuation date	Includible alternate value	Includible value at date of death
1				
Total from continuation schedules (or additional statements) attached to this schedule .				
<b>TOTAL</b> (Also enter on Part 5—Recapitulation, page 3, at item 9.) . . . . .				

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

<b>Estate of:</b>	<b>Decedent's social security number</b>
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**SCHEDULE J—Funeral Expenses and Expenses Incurred in Administering Property Subject to Claims**

▶ Use Schedule PC to make a protective claim for refund due to an expense not currently deductible.  
 For such a claim, report the expense on Schedule J but without a value in the last column.

**Note:** Do not list expenses of administering property not subject to claims on this schedule. To report those expenses, see instructions.

If executors' commissions, attorney fees, etc., are claimed and allowed as a deduction for estate tax purposes, they are not allowable as a deduction in computing the taxable income of the estate for federal income tax purposes. They are allowable as an income tax deduction on Form 1041, U.S. Income Tax Return for Estates and Trusts, if a waiver is filed to forgo the deduction on Form 706. See the Instructions for Form 1041.

Are you aware of any actual or potential reimbursement to the estate for any expense claimed as a deduction on this schedule? **Yes** **No**

If "Yes," attach a statement describing the expense(s) subject to potential reimbursement. See instructions.

Item number	Description	Expense amount	Total amount
<b>A. Funeral expenses:</b>			
1			
Total funeral expenses . . . . . ▶			

**B. Administration expenses:**

- 1 Executors' commissions—amount estimated/agreed upon/paid. (Strike out the words that do not apply.) . . . . .
- 2 Attorney fees—amount estimated/agreed upon/paid. (Strike out the words that do not apply.) . . . . .
- 3 Accountant fees—amount estimated/agreed upon/paid. (Strike out the words that do not apply.) . . . . .

	4 Miscellaneous expenses:	Expense amount	
Total miscellaneous expenses from continuation schedules (or additional statements) attached to this schedule . . . . . ▶			
Total miscellaneous expenses . . . . . ▶			
<b>TOTAL</b> (Also enter on Part 5—Recapitulation, page 3, at item 14.) . . . . . ▶			

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

Decedent's social security number

Estate of:

**SCHEDULE K—Debts of the Decedent, and Mortgages and Liens**

► Use Schedule PC to make a protective claim for refund due to a claim not currently deductible.  
For such a claim, report the expense on Schedule K but without a value in the last column.

	<b>Yes</b>	<b>No</b>
Are you aware of any actual or potential reimbursement to the estate for any debt of the decedent, mortgage, or lien claimed as a deduction on this schedule? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes," attach a statement describing the items subject to potential reimbursement. See instructions.	<input type="checkbox"/>	<input type="checkbox"/>
Are any of the items on this schedule deductible under Reg. section 20.2053-4(b) and Reg. section 20.2053-4(c)? . . .	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes," attach a statement indicating the applicable provision and documenting the value of the claim.	<input type="checkbox"/>	<input type="checkbox"/>

Item number	Debts of the Decedent—Creditor and nature of debt, and allowable death taxes	Amount
1		

Total from continuation schedules (or additional statements) attached to this schedule . . . . .

**TOTAL** (Also enter on Part 5—Recapitulation, page 3, at item 15.) . . . . .

Item number	Mortgages and Liens—Description	Amount
1		

Total from continuation schedules (or additional statements) attached to this schedule . . . . .

**TOTAL** (Also enter on Part 5—Recapitulation, page 3, at item 16.) . . . . .

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

<b>Estate of:</b>	<b>Decedent's social security number</b>
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**SCHEDULE L—Net Losses During Administration and Expenses Incurred in Administering Property Not Subject to Claims**

▶ Use Schedule PC to make a protective claim for refund due to an expense not currently deductible.  
For such expenses, report the expense on Schedule L but without a value in the last column.

Item number	Net losses during administration (Note: Do not deduct losses claimed on a federal income tax return.)	Amount
1		

	Total from continuation schedules (or additional statements) attached to this schedule . . . . .	
	<b>TOTAL</b> (Also enter on Part 5—Recapitulation, page 3, at item 19.) . . . . .	

Item number	Expenses incurred in administering property not subject to claims. (Indicate whether estimated, agreed upon, or paid.)	Amount
1		

	Total from continuation schedules (or additional statements) attached to this schedule . . . . .	
	<b>TOTAL</b> (Also enter on Part 5—Recapitulation, page 3, at item 20.) . . . . .	

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

<b>Estate of:</b>	<b>Decedent's social security number</b>
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### SCHEDULE M—Bequests, etc., to Surviving Spouse

**Note:** If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entry in the last column.

		Yes	No
<b>1</b> Did any property pass to the surviving spouse as a result of a qualified disclaimer? . . . . . If "Yes," attach a copy of the written disclaimer required by section 2518(b).	<b>1</b>		
<b>2a</b> In what country was the surviving spouse born? _____			
<b>b</b> What is the surviving spouse's date of birth? _____			
<b>c</b> Is the surviving spouse a U.S. citizen? . . . . .	<b>2c</b>		
<b>d</b> If the surviving spouse is a naturalized citizen, when and where did the surviving spouse acquire citizenship? _____			
<b>e</b> If the surviving spouse is not a U.S. citizen, of what country is the surviving spouse a citizen? _____			
<b>3 Election Out of QTIP Treatment of Annuities.</b> Do you elect under section 2056(b)(7)(C)(ii) not to treat as qualified terminable interest property any joint and survivor annuities that are included in the gross estate and would otherwise be treated as qualified terminable interest property under section 2056(b)(7)(C)? See instructions	<b>3</b>		

Item number	Description of property interests passing to surviving spouse. For securities, give CUSIP number. If trust, partnership, or closely held entity, give EIN	Amount
QTIP property:		
<b>A1</b>		
All other property:		
<b>B1</b>		
Total from continuation schedules (or additional statements) attached to this schedule . . . . .		
<b>4</b>	<b>Total amount of property interests listed on Schedule M . . . . .</b>	<b>4</b>
<b>5a</b>	<b>Federal estate taxes payable out of property interests listed on Schedule M . . . . .</b>	
<b>b</b>	<b>Other death taxes payable out of property interests listed on Schedule M . . . . .</b>	
<b>c</b>	<b>Federal and state GST taxes payable out of property interests listed on Schedule M . . . . .</b>	
<b>d</b>	<b>Add items 5a, 5b, and 5c . . . . .</b>	<b>5d</b>
<b>6</b>	<b>Net amount of property interests listed on Schedule M (subtract item 5d from item 4). Also enter on Part 5—Recapitulation, page 3, at item 21 . . . . .</b>	<b>6</b>

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

<b>Estate of:</b>	<b>Decedent's social security number</b>
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**SCHEDULE O – Charitable, Public, and Similar Gifts and Bequests**

**Note:** If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entry in the last column.

	Yes	No
<b>1a</b> If the transfer was made by will, has any action been instituted to contest or have interpreted any of its provisions affecting the charitable deductions claimed in this schedule? . . . . . If "Yes," full details must be submitted with this schedule.	<input type="checkbox"/>	<input type="checkbox"/>
<b>b</b> According to the information and belief of the person or persons filing this return, is any such action planned? . . . . . If "Yes," full details must be submitted with this schedule.	<input type="checkbox"/>	<input type="checkbox"/>
<b>2</b> Did any property pass to charity as the result of a qualified disclaimer? . . . . . If "Yes," attach a copy of the written disclaimer required by section 2518(b).	<input type="checkbox"/>	<input type="checkbox"/>

Item number	Name and address of beneficiary	Character of institution	Amount
<b>1</b>			
Total from continuation schedules (or additional statements) attached to this schedule . . . . .			

<b>3</b> Total . . . . .		<b>3</b>	
<b>4a</b> Federal estate tax payable out of property interests listed above . . . . .	<b>4a</b>		
<b>b</b> Other death taxes payable out of property interests listed above . . . . .	<b>4b</b>		
<b>c</b> Federal and state GST taxes payable out of property interests listed above . . . . .	<b>4c</b>		
<b>d</b> Add items 4a, 4b, and 4c . . . . .		<b>4d</b>	
<b>5</b> Net value of property interests listed above (subtract item 4d from item 3). Also enter on Part 5—Recapitulation, page 3, at item 22 . . . . .		<b>5</b>	

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

<b>Estate of:</b>	<b>Decedent's social security number</b>
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### SCHEDULE P—Credit for Foreign Death Taxes

List all foreign countries to which death taxes have been paid and for which a credit is claimed on this return.

If a credit is claimed for death taxes paid to more than one foreign country, compute the credit for taxes paid to one country on this sheet and attach a separate copy of Schedule P for each of the other countries.

The credit computed on this sheet is for the \_\_\_\_\_  
(Name of death tax or taxes)  
 \_\_\_\_\_ imposed in \_\_\_\_\_  
(Name of country)

Credit is computed under the \_\_\_\_\_  
(Insert title of treaty or statute)

Citizenship (nationality) of decedent at time of death

*(All amounts and values must be entered in U.S. money.)*

1 Total of estate, inheritance, legacy, and succession taxes imposed in the country named above attributable to property situated in that country, subjected to these taxes, and included in the gross estate (as defined by statute) . . . . .	<b>1</b>	
2 Value of the gross estate (adjusted, if necessary, according to the instructions) . . . . .	<b>2</b>	
3 Value of property situated in that country, subjected to death taxes imposed in that country, and included in the gross estate (adjusted, if necessary, according to the instructions) . . . . .	<b>3</b>	
4 Tax imposed by section 2001 reduced by the total credits claimed under sections 2010 and 2012 (see instructions)	<b>4</b>	
5 Amount of federal estate tax attributable to property specified at item 3. (Divide item 3 by item 2 and multiply the result by item 4.) . . . . .	<b>5</b>	
6 Credit for death taxes imposed in the country named above (the smaller of item 1 or item 5). Also enter on line 13 of Part 2—Tax Computation . . . . .	<b>6</b>	

### SCHEDULE Q—Credit for Tax on Prior Transfers

#### Part 1. Transferor Information

	Name of transferor	Social security number	IRS office where estate tax return was filed	Date of death
<b>A</b>				
<b>B</b>				
<b>C</b>				

**Check here**  if section 2013(f) (special valuation of farm, etc., real property) adjustments to the computation of the credit were made. See instructions.

#### Part 2. Computation of Credit (see instructions)

Item	Transferor			Total A, B, and C
	A	B	C	
1 Transferee's tax as apportioned (from worksheet, (line 7 ÷ line 8) × line 35 for each column) . . . . .				
2 Transferor's tax (from each column of worksheet, line 20) . . . . .				
3 Maximum amount before percentage requirement (for each column, enter amount from line 1 or line 2, whichever is smaller) . . . . .				
4 Percentage allowed (each column) (see instructions)	%	%	%	
5 Credit allowable (line 3 × line 4 for each column) . . . . .				
6 TOTAL credit allowable (add columns A, B, and C of line 5). Enter here and on line 14 of Part 2—Tax Computation . . . . .				



<b>Estate of:</b>	<b>Decedent's social security number</b>
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## SCHEDULE R—Generation-Skipping Transfer Tax

**Note:** To avoid application of the deemed allocation rules, Form 706 and Schedule R should be filed to allocate the GST exemption to trusts that may later have taxable terminations or distributions under section 2612 even if the form is not required to be filed to report estate or GST tax.

The GST tax is imposed on taxable transfers of interests in property located outside the United States as well as property located inside the United States. See instructions.

### Part 1. GST Exemption Reconciliation (Section 2631) and Special QTIP Election (Section 2652(a)(3))

You no longer need to check a box to make a section 2652(a)(3) (special QTIP) election. If you list qualifying property in Part 1, line 9, below, you will be considered to have made this election. See instructions for details.

<b>1</b> Maximum allowable GST exemption . . . . .	<b>1</b>	
<b>2</b> Total GST exemption allocated by the decedent against decedent's lifetime transfers . . . . .	<b>2</b>	
<b>3</b> Total GST exemption allocated by the executor, using Form 709, against decedent's lifetime transfers . . . . .	<b>3</b>	
<b>4</b> GST exemption allocated on line 6 of Schedule R, Part 2 . . . . .	<b>4</b>	
<b>5</b> GST exemption allocated on line 6 of Schedule R, Part 3 . . . . .	<b>5</b>	
<b>6</b> Total GST exemption allocated on line 4 of Schedule(s) R-1 . . . . .	<b>6</b>	
<b>7</b> Total GST exemption allocated to inter vivos transfers and direct skips (add lines 2–6) . . . . .	<b>7</b>	
<b>8</b> GST exemption available to allocate to trusts and section 2032A interests (subtract line 7 from line 1) . . . . .	<b>8</b>	
<b>9</b> Allocation of GST exemption to trusts (as defined for GST tax purposes):		

<b>A</b> Name of trust	<b>B</b> Trust's EIN (if any)	<b>C</b> GST exemption allocated on lines 2–6 above (see instructions)	<b>D</b> Additional GST exemption allocated (see instructions)	<b>E</b> Trust's inclusion ratio (optional) (see instructions)

<b>9D Total.</b> May not exceed line 8 above . . . . .	<b>9D</b>	
<b>10</b> GST exemption available to allocate to section 2032A interests received by individual beneficiaries (subtract line 9D from line 8). You must attach special-use allocation statement. See instructions . . . . .	<b>10</b>	

Decedent's social security number

Estate of:

**Part 2. Direct Skips Where the Property Interests Transferred Bear the GST Tax on the Direct Skips**

Name of skip person	Description of property interest transferred	Estate tax value

1 Total estate tax values of all property interests listed above . . . . .	<b>1</b>	
2 Estate taxes, state death taxes, and other charges borne by the property interests listed above . . . . .	<b>2</b>	
3 GST taxes borne by the property interests listed above but imposed on direct skips other than those shown on this Part 2 (see instructions) . . . . .	<b>3</b>	
4 Total fixed taxes and other charges (add lines 2 and 3) . . . . .	<b>4</b>	
5 Total tentative maximum direct skips (subtract line 4 from line 1) . . . . .	<b>5</b>	
6 GST exemption allocated . . . . .	<b>6</b>	
7 Subtract line 6 from line 5 . . . . .	<b>7</b>	
8 GST tax due (divide line 7 by 3.5) . . . . .	<b>8</b>	
9 Enter the amount from line 8 of Schedule R, Part 3 . . . . .	<b>9</b>	
<b>10 Total GST taxes payable by the estate</b> (add lines 8 and 9). Enter here and on line 17 of Part 2—Tax Computation . . . . .	<b>10</b>	

Decedent's social security number

Estate of:

**Part 3. Direct Skips Where the Property Interests Transferred Do Not Bear the GST Tax on the Direct Skips**

Name of skip person	Description of property interest transferred	Estate tax value

1 Total estate tax values of all property interests listed above . . . . .	<b>1</b>	
2 Estate taxes, state death taxes, and other charges borne by the property interests listed above . . . . .	<b>2</b>	
3 GST taxes borne by the property interests listed above but imposed on direct skips other than those shown on this Part 3 (see instructions) . . . . .	<b>3</b>	
4 Total fixed taxes and other charges (add lines 2 and 3) . . . . .	<b>4</b>	
5 Total tentative maximum direct skips (subtract line 4 from line 1) . . . . .	<b>5</b>	
6 GST exemption allocated . . . . .	<b>6</b>	
7 Subtract line 6 from line 5 . . . . .	<b>7</b>	
8 GST tax due (multiply line 7 by 0.40). Enter here and on Schedule R, Part 2, line 9 . . . . .	<b>8</b>	

<b>Estate of:</b>	<b>Decedent's social security number</b>
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## SCHEDULE U—Qualified Conservation Easement Exclusion

### Part 1. Election

**Note:** The executor is deemed to have made the election under section 2031(c)(6) if he or she files Schedule U and excludes any qualifying conservation easements from the gross estate.

### Part 2. General Qualifications

- 1 Describe the land subject to the qualified conservation easement. See instructions \_\_\_\_\_
  
- 2 Did the decedent or a member of the decedent's family own the land described above during the 3-year period ending on the date of the decedent's death? . . . . .  **Yes**     **No**
  
- 3 Describe the conservation easement with regard to which the exclusion is being claimed. See instructions. \_\_\_\_\_

### Part 3. Computation of Exclusion

<b>4</b>	Estate tax value of the land subject to the qualified conservation easement (see instructions) . . . . .	<b>4</b>	
<b>5</b>	Date of death value of any easements granted prior to decedent's death and included on line 10 below (see instructions) . . . . .	<b>5</b>	
<b>6</b>	Add lines 4 and 5 . . . . .	<b>6</b>	
<b>7</b>	Value of retained development rights on the land (see instructions)	<b>7</b>	
<b>8</b>	Subtract line 7 from line 6 . . . . .	<b>8</b>	
<b>9</b>	Multiply line 8 by 30% (0.30) . . . . .	<b>9</b>	
<b>10</b>	Value of qualified conservation easement for which the exclusion is being claimed (see instructions) . . . . .	<b>10</b>	
<b>11</b>	Divide line 10 by line 8. Figure to 3 decimal places (for example, "0.123") . . . . .	<b>11</b>	
<b>12</b>	Subtract line 11 from 0.300. Enter the answer in hundredths by rounding any thousandths up to the next higher hundredth (that is, 0.030 = 0.03, but 0.031 = 0.04) . . . . .	<b>12</b>	
<b>13</b>	Multiply line 12 by 2.0 . . . . .	<b>13</b>	
<b>14</b>	Subtract line 13 from 0.40 . . . . .	<b>14</b>	
<b>15</b>	Deduction under section 2055(f) for the conservation easement (see instructions) . . . . .	<b>15</b>	
<b>16</b>	Amount of indebtedness on the land (see instructions) . . . . .	<b>16</b>	
<b>17</b>	Total reductions in value (add lines 7, 15, and 16) . . . . .	<b>17</b>	
<b>18</b>	Net value of land (subtract line 17 from line 4) . . . . .	<b>18</b>	
<b>19</b>	Multiply line 18 by line 14 . . . . .	<b>19</b>	
<b>20</b>	Enter the smaller of line 19 or the exclusion limitation. See instructions. Also enter this amount on item 12, Part 5—Recapitulation, page 3 . . . . .	<b>20</b>	

## Protective Claim for Refund

▶ **To be used for decedents dying after December 31, 2011. File 2 copies of this schedule with Form 706 for each pending claim or expense under section 2053.**

- Timely filing a protective claim for refund preserves the estate’s right to claim a refund based on the amount of an unresolved claim or expense that may not become deductible under section 2053 until after the limitation period ends.
- Schedule PC can be used to file a protective claim for refund and, once the claim or expense becomes deductible, Schedule PC can be used to notify the IRS that a refund is being claimed.
- Schedule PC can be used by the estate of a decedent dying after 2011.
- Schedule PC must be filed with Form 706 and cannot be filed separately. (To file a protective claim for refund or notify the IRS that a refund is being claimed in a form separate from the Form 706, instead use Form 843, Claim for Refund and Request for Abatement.)
- Each separate claim or expense requires a separate Schedule PC (or Form 843, if not filed with Form 706).
- Schedule PC must be filed in duplicate (two copies) for each separate claim or expense.

### Part 1. General Information

1. Name of decedent	2. Decedent’s social security no.
3. Name of fiduciary	4. Date of death
5a. Address (number, street, and room or suite no.)	5b. Room or suite no.
5c. City or town, state, and ZIP or postal code	6. Daytime telephone number

**7. Number of Claims.** Enter number of Schedules PC being filed with Form 706. \_\_\_\_\_

If the number is greater than one OR if another Schedule PC or Form 843 was previously filed by or on behalf of the estate, complete Part 3 of this Schedule PC.

**8. Fiduciary**  Check here if this Schedule PC is being filed with the original Form 706 or is being filed by the same fiduciary who filed the original Form 706 for decedent’s estate. If a different fiduciary is filing this Schedule PC, see instructions for establishing the legal authority to pursue the claim for refund on behalf of the estate.

### Part 2. Claim Information

Check the box that applies to this claim for refund.

a.  Protective claim for refund made for unresolved claim or expense.

Amount in contest: \_\_\_\_\_

b.  Partial refund claimed: partial resolution and/or satisfaction of claim or expense for which a protective claim for refund has been filed previously.

Date protective claim for refund filed for this claim or expense: \_\_\_\_\_

Amount of claim or expense partially resolved and/or satisfied and presently claimed as a deduction under section 2053 (do not include amounts previously deducted): \_\_\_\_\_

c.  Full and final refund claimed for this claim or expense: resolution and/or satisfaction of claim or expense for which a protective claim for refund has been filed previously.

Date protective claim for refund filed for this claim or expense: \_\_\_\_\_

Amount of claim or expense finally resolved and/or satisfied and presently claimed as a deduction under section 2053 (do not include amounts previously deducted): \_\_\_\_\_

Estate of:					Decedent's social security number	
A Form 706 Schedule and Item number	B <b>Identification of the claim</b> • Name or names of the claimant(s) • Basis of the claim or other description of the pending claim or expense • Reasons and contingencies delaying resolution • Status of contested matters • Attach copies of relevant pleadings or other documents	C Amount, if any, deducted under Treas. Reg. sections 20.2053-1(d)(4) or 20.2053-4(b) or (c) for the identified claim or expense	D Amount presently claimed as a deduction under section 2053 for the identified claim	E Ancillary expenses estimated/ agreed upon/paid (Please indicate)	F Amount of tax to be refunded	

**Part 3. Other Schedules PC and Forms 843 Filed by Estate**

If a Schedule PC or Form 843 was previously filed by the estate, complete Part 3 to identify each claim for refund reported.

A Date of death	B Internal Revenue office where filed	C Date filed	D Indicate whether (1) Protective Claim for Refund, (2) Partial Claim for Refund, or (3) Full and Final Claim for Refund	E Amount in Contest
1				

To inquire about the receipt and/or processing of the protective claim for refund, please call 866-699-4083.

**Estate of:** \_\_\_\_\_

**Decedent's social security number**  
 .....  
 .....

**CONTINUATION SCHEDULE**

Continuation of Schedule \_\_\_\_\_

(Enter letter of schedule you are continuing.)

Item number	Description. For securities, give CUSIP number. If trust, partnership, or closely held entity, give EIN.	Unit value (Sch. B, E, or G only)	Alternate valuation date	Alternate value	Value at date of death or amount deductible
<b>TOTAL</b> (Carry forward to main schedule.) . . . . .					

For office use only



Department of Taxation and Finance

# New York State Estate Tax Return

# ET-706

(9/19)

For an estate of an individual who died on or after January 1, 2019

Amended return   
Federal audit changes

Decedent's last name	First name	Middle initial	Social Security number (SSN)	
Address of decedent at time of death (number and street)			Date of death	If copy of death certificate is attached, mark an X in the box <input type="checkbox"/>
City	State	ZIP code	County of residence	
If the decedent was a nonresident of New York State (NYS) on the date of death, mark an X in the box and attach a completed Form ET-141, <i>New York State Estate Tax Domicile Affidavit</i> . <input type="checkbox"/>				
Employer identification number (EIN) of the estate		Name and EIN of any trusts created or funded by the will		
<b>Power of Attorney</b> – Mark an X in the box if Form ET-14, <i>Estate Tax Power of Attorney</i> , is attached (see instructions) <input type="checkbox"/> If Form ET-14 was previously provided, indicate which form it was attached to and the date it was submitted: Form _____ Date _____				
<b>Executor</b> – If you are submitting <i>Letters Testamentary</i> or <i>Letters of Administration</i> with this form, indicate in the box the type of letters. Enter L if regular, LL if limited letters. If you are not submitting letters with this form, enter N. <input type="checkbox"/>				
<b>Surrogate's court</b> – If a proceeding for probate or administration has commenced in a surrogate's court in NYS, enter county. _____				

Attorney's or authorized representative's last name	First name	MI	Executor's last name	First name	MI
In care of (firm's name)			If more than one executor, mark an X in the box (see instr.) <input type="checkbox"/>	Email address of executor	
Address of attorney or authorized representative			Address of executor		
City	State	ZIP code	City	State	ZIP code
PTIN or SSN of attorney or authorized rep.	Telephone number		Social Security number of executor	Telephone number	

If the decedent possessed a cause of action or was a plaintiff in any litigation at the time of death, mark an X in the box and complete Schedule F (see Form ET-706-I, Instructions for Form ET-706) .....

**Installment payments of tax for closely held business** – Do you elect to pay the tax in installments as described in IRC § 6166 (NYS Tax Law § 997)? If **Yes**, attach Form ET-415 (see Form ET-706-I) .....  Yes  No

If releases of lien are needed, attach Form(s) ET-117 (see Form ET-706-I) and enter the number of counties here ....

**a** Is a federal estate tax return (either federal Form 706 or Form 706-NA) required to be filed with the IRS (see Form ET-706-I)? ....  Yes  No

**Note:** You must submit a completed federal estate tax return with this return, even when you are not required to file with the Internal Revenue Service (IRS).

**b** Are you making a qualified terminable interest property (QTIP) marital election? .....  Yes  No

If you marked **Yes** above, the QTIP must be listed on Schedule M, section A1 of federal Form 706 you are attaching to this filing.

Provide the Social Security number of the surviving spouse

<b>Tax computation</b>	1	Taxable estate for New York State (from Schedule A, Part 1, line 18, or Part 2, line 33) .....	1.		
	2	New York State estate tax (from tax table on page 6) .....	2.		
	3	Applicable credit (see instructions) .....	3.		
	4	Tax after credit (subtract line 3 from line 2) .....	4.		
	5	Net prior tax payments to New York State (attach a Schedule of dates and amounts; see instructions) ...	5.		
	6	If line 5 is less than line 4, subtract line 5 from line 4. This is the <b>amount you owe</b> .....	6.		
	7	If line 5 is greater than line 4, subtract line 4 from line 5. This is the amount to be <b>refunded</b> to you ...	7.		

**Executor, attorney, and preparer, be sure to sign this return on page 6.**

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**Schedule A – Computation of New York State taxable estate**

**Part 1 – Resident**

8	Amount from federal Form 706, page 3, part 5, line 13 .....	8.		
9	Property with a location outside New York State (from Schedule B) .....	9.		
10	Subtotal (subtract line 9 from line 8) .....	10.		
11	Amount determined under § 957 (relating to Powers of Appointment prior to 1930) .....	11.		
12	Taxable gifts (from Schedule D; see instructions for important changes) .....	12.		
13	Includible QTIP for New York State not included in the amount reported on line 8 (see instructions) ...	13.		
14	Total gross estate for New York State (add lines 10 through 13) .....	14.		
15	Total allowable federal deductions (from federal Form 706, page 3, part 5, line 24) .....	15.		
16	Federal deductions not allowed for New York State purposes (from Schedule E, line 50) .....	16.		
17	Allowable federal deductions for NYS purposes (subtract line 16 from line 15) .....	17.		
18	Taxable estate for New York State (subtract line 17 from line 14) .....	18.		

**Part 2 – Nonresident**

19	Amount from federal Form 706, page 3, part 5, line 13; or Form 706-NA, page 2, Schedule B, line 1	19.		
20	Property with a location outside New York State (from Schedule B) ...	20.		
21	Intangible property included in line 19 amount .....	21.		
22	Non-taxable estate for New York State purposes (add lines 20 and 21) .....	22.		
23	Amount of federal gross estate subject to New York State estate taxes (subtract line 22 from line 19) ..	23.		
24	Amount determined under § 957 (relating to Powers of Appointment prior to 1930) .....	24.		
25	Taxable gifts (from Schedule D; see instructions for important changes) .....	25.		
26	Includible QTIP for New York State not included in the amount reported on line 19 (see instructions) ....	26.		
27	Total gross estate for New York State (add lines 23 through 26) .....	27.		
28	Total allowable federal deductions (from federal Form 706, page 3, part 5, line 24; or Form 706-NA, page 2, Schedule B, line 8) .....	28.		
29	Federal deductions not allowed for New York State purposes (from Schedule E, line 68) .....	29.		
30	Allowable federal deductions for NYS purposes (subtract line 29 from line 28).....	30.		
31	Tentative New York State taxable estate (subtract line 30 from line 27) .....	31.		
32	Works of art on loan in New York State .....	32.		
33	Taxable estate for New York State (subtract line 32 from line 31) .....	33.		

**Schedule B – Property located outside New York State**

List below each item of real and tangible personal property located outside New York State that is included in the federal gross estate. Include the item number, the schedule of federal Form 706 or Form 706-NA on which it was reported, and the reported value of the property. (Submit additional sheets if necessary; see instructions)

Item number	Description	Value
Total amounts from all additional sheets .....		
Total value of property located outside New York State (include totals from all additional sheets). Enter here and on Schedule A, line 9 or 20. ....		



**Schedule C – New York property of a nonresident individual**

List below each item of real and tangible personal property **located within New York State**. Include the item number, the schedule of federal Form 706 or Form 706-NA on which it was reported, and the reported value of the property. *(Submit additional sheets if necessary; see instructions)*

Item number	Description	Value
Total amounts from all additional sheets .....		
Total value of New York property of nonresident individual <i>(include totals from all additional sheets)</i> .....		

**Schedule D – Taxable gifts**

List below all taxable gifts under Internal Revenue Code § 2503 made during the three-year period ending on the individual's date of death that were not otherwise included in the federal gross estate. Taxable gifts would not include any gift of real or tangible personal property located outside New York State, any gift made when the individual was not a resident of New York State, or any gift made prior to April 1, 2014. *(Submit additional sheets if necessary; see instructions)*

Date gift made	Description of property gifted <i>(including location)</i>	Taxable amount of gift
Total amounts from all additional sheets .....		
Total taxable amount of gifts <i>(include totals from all additional sheets)</i> . Enter here and on Schedule A, line 12 or 25. ....		

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**Schedule E – Computation of allowable New York State deductions**

**Part 1 – Resident**

	Description of allowable federal deductions	A Total on federal return	B Deductions directly related to property inside New York State or intangible personal property	C Deductions directly related to property outside New York State*	D Deductions not directly related to property inside or outside New York State or to intangible personal property (deductions to be allocated)
34	Schedule J – funeral expenses and expenses incurred in administering property subject to claims				
35	Schedule K – debts of the decedent				
36	Schedule K – mortgages and liens				
37	Add lines 34, 35, and 36				
38	Allowable amount of deductions from line 37 above				
39	Schedule L – net losses during administration				
40	Schedule L – expenses incurred in administering property not subject to claims				
41	Schedule M – bequests, etc., to surviving spouse				
42	Schedule O – charitable, public, and similar gifts and bequests				
43	Total (add lines 38 through 42)				

\* If you have an amount entered in column C, attach a statement indicating the item number of the property listed on Schedule B that the deduction is directly related to if the location of the deduction is not clearly labeled on federal Schedules J through O.

44	Property outside New York State (from Schedule A, Part 1, line 9) .....	44.		
45	Federal gross estate (from Schedule A, Part 1, line 8) .....	45.		
46	Allocation percentage (divide line 44 by line 45; enter the percent as a decimal rounded to four places) .....	46.		
47	Deductions not directly related to property inside or outside New York State or intangible personal property (from column D, line 43) .....	47.		
48	Deductions allocated to property outside New York State (multiply line 46 and line 47) .....	48.		
49	Deductions directly related to property outside New York State (from column C, line 43) .....	49.		
50	Federal deductions not allowed for New York State purposes (add lines 48 and 49; also enter on Schedule A, Part 1, line 16) .....	50.		



**Schedule E – Computation of allowable New York State deductions** *(continued)*

**Part 2 – Nonresident**

	Description of allowable federal deductions	A Total on federal return	B Deductions directly related to property inside New York State	C Deductions directly related to property outside New York State or intangible personal property*	D Deductions not directly related to property inside or outside New York State or to intangible personal property (deductions to be allocated)
51	Schedule J – funeral expenses and expenses incurred in administering property subject to claims				
52	Schedule K – debts of the decedent				
53	Schedule K – mortgages and liens				
54	Add lines 51, 52, and 53				
55	Allowable amount of deductions from line 54 above				
56	Schedule L – net losses during administration				
57	Schedule L – expenses incurred in administering property not subject to claims				
58	Schedule M – bequests, etc., to surviving spouse				
59	Schedule O – charitable, public, and similar gifts and bequests				
60	Total (add lines 55 through 59)				

\* If you have an amount entered in column C, attach a statement indicating the item number of the property listed on Schedule B that the deduction is directly related to if the location of the deduction is not clearly labeled on federal Schedules J through O.

61	Property outside New York State and intangible personal property (from Schedule A, Part 2, line 22) ....	61.		
62	Federal gross estate (from Schedule A, Part 2, line 19) .....	62.		
63	Allocation percentage (divide line 61 by line 62; enter the percent as a decimal rounded to four places) .....	63.		
64	Deductions not directly related to property inside or outside New York State or intangible personal property (from column D, line 60) .....	64.		
65	Deductions allocated to property outside New York State and intangible personal property (multiply line 63 and line 64) .....	65.		
66	Deductions directly related to property outside New York State and intangible personal property (from column C, line 60) .....	66.		
67	State death tax deduction (from federal Form 706-NA, page 2, Schedule B, line 7), if any .....	67.		
68	Federal deductions not allowed for New York State purposes (add lines 65, 66 and 67; also enter on Schedule A, Part 2, line 29) .....	68.		



**Schedule F – Description of litigation or cause of action**

In the area provided below, describe any litigation in which the decedent was a plaintiff or litigation that is pending or contemplated on behalf of the decedent. Include the actual or estimated values of such litigation (see Litigation information *in instructions*).

Tax table					
If the New York taxable estate is:		The tax is:			
over	but not over				
\$ 0	\$ 500,000	\$ 15,300	plus	3.06%	of taxable estate
500,000	1,000,000	40,300	plus	5.0%	of the excess over \$ 500,000
1,000,000	1,500,000	67,800	plus	5.5%	" " " "
1,500,000	2,100,000	106,800	plus	6.5%	" " " "
2,100,000	2,600,000	146,800	plus	8.0%	" " " "
2,600,000	3,100,000	190,800	plus	8.8%	" " " "
3,100,000	3,600,000	238,800	plus	9.6%	" " " "
3,600,000	4,100,000	290,800	plus	10.4%	" " " "
4,100,000	5,100,000	402,800	plus	11.2%	" " " "
5,100,000	6,100,000	522,800	plus	12.0%	" " " "
6,100,000	7,100,000	650,800	plus	12.8%	" " " "
7,100,000	8,100,000	786,800	plus	13.6%	" " " "
8,100,000	9,100,000	930,800	plus	14.4%	" " " "
9,100,000	10,100,000	1,082,800	plus	15.2%	" " " "
10,100,000 .....				16.0%	" " " "

This return **must be filed within nine months** after the date of death unless an extension of time to file the return has been granted.

Mail your return and payment (if any) to:

**NYS ESTATE TAX  
PROCESSING CENTER  
PO BOX 15167  
ALBANY NY 12212-5167**

If not using U.S. Mail, see Publication 55, *Designated Private Delivery Services*.

**Reminders:** Sign this return. If there is an amount due on line 6, make check payable in U.S. funds to **Commissioner of Taxation and Finance**. Attach a completed copy of the federal estate tax return along with any accompanying schedules and supplementary information.

**If an attorney or authorized representative is listed on this return, he or she must complete the following declaration.**

I declare that I have agreed to represent the executor(s) for the above estate, that I am authorized to receive tax information regarding the estate, and I am (mark an X in all that apply):

- an attorney   
  a certified public accountant   
  an enrolled agent  
 a public accountant enrolled with the NYS Education Department

Signature of attorney or authorized representative	Date	Email address of attorney
--	------	---------------------------

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Furthermore, I/we, as executor(s) for this estate, authorize the person, if any, named as my/our representative on this return to receive confidential tax information regarding this estate.

Signature of executor	Date	Signature of co-executor	Date
Print name of preparer other than executor	Signature of preparer other than executor	Preparer's PTIN or SSN	Preparer's NYTPRIN
Address of preparer	City	State ZIP code	Date
		Email address of preparer	

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