

SN 99(9)

1999 Legislation Affecting the Succession and Transfer Taxes

PURPOSE: This Special Notice summarizes 1999 legislation affecting the succession and transfers taxes.

EFFECTIVE DATE: The effective dates of legislative changes are noted below.

STATUTORY AUTHORITY: Conn. Gen. Stat. §§12-367(e) and 12-378(a), as amended by 1999 Conn. Pub. Acts 121, §§10 and 11, respectively, and Conn. Gen. Stat. §12-347(c), as amended by 1999 Conn. Pub. Acts 173, §51.

REPORTING AFTER-DISCOVERED ASSETS: The Commissioner's assessment of succession tax becomes final sixty days after its issuance. Assets discovered after the filing of the succession tax return and less than sixty days from the Commissioner's assessment must be reported to the Commissioner. For taxable estates, prior law required that assets discovered more than sixty days after the Commissioner's assessment be reported to the Commissioner if the value of the assets was more than \$500. For nontaxable estates, prior law required that assets discovered more than sixty days after a Judge of Probate's issuance of a *Certificate of Opinion of No Tax* and valued at more than \$1000 be reported to the Commissioner.

1999 Conn. Pub. Acts 121, §§10 and 11, makes the following changes regarding the reporting requirements for certain after-discovered assets. Effective July 1, 1999, assets discovered more than sixty days after the Commissioner's assessment or more than thirty days after the issuance of a *Certificate of Opinion of No Tax* by a Judge of Probate are required to be reported to the Commissioner **only if the additional succession tax attributable to such assets is \$100 or more.**

CHANGES IN THE TIME FOR THE COMMISSIONER TO OBJECT TO A JUDGE OF

PROBATE'S CERTIFICATE OF OPINION OF NO TAX: With respect to a *Certificate of Opinion of No Tax* issued by a Judge of Probate on or after July 1, 1999, the time period for the Commissioner to file an objection to such certificate with the Probate Court is reduced from 60 days to 30 days after the certificate's issuance. Unless the Commissioner has filed such an objection with the Probate Court within the 30 day requirement, the Judge of Probate's *Certificate of Opinion of No Tax* is conclusive evidence that real estate included in the gross taxable estate is free from any claim of succession tax and that no succession tax is due from the estate.

SUCCESSION TAX EXEMPTION FOR TRANSFERS OF OPEN SPACE LAND: For transfers made on or after July 1, 1999, a succession tax exemption is allowed with respect to any transfer of open space land, as defined in Conn. Gen. Stat. §12-107b, whether or not it has been classified as open space land in accordance with Conn. Gen. Stat. §12-107e. (1999 Conn. Pub. Acts 173, §51)

Under prior law, a succession tax exemption was allowed with respect to any transfer of open space land, as defined in Conn. Gen. Stat. §12-107b, that had been classified as open space land in accordance with Conn. Gen. Stat. §12-107e.

EFFECT ON OTHER DOCUMENTS: None affected.

EFFECT OF THIS DOCUMENT: A Special Notice is a document that announces a new policy or practice in response to changes in State or federal laws or regulations or to judicial decisions. A Special Notice indicates the Department's informal interpretation of Connecticut tax law and may be referred to for general guidance by taxpayers or tax practitioners.

FOR FURTHER INFORMATION: Please call the Department of Revenue Services during business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday:

- **1-800-382-9463** (toll-free from within Connecticut), or
- **860-297-5962** (from anywhere).

TTY, TDD and Text Telephone users only may transmit inquiries 24 hours a day by calling 860-297-4911.

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FORMS AND PUBLICATIONS: Forms and publications are available 24 hours a day, seven days a week:

- **Internet:** preview and download forms and publications from the DRS web site: www.state.ct.us/drs
- **DRS TAX-FAX:** call **860-297-5698** from the handset attached to your fax machine and select from the menu; or
- **Telephone:** Call **1-800-382-9463** (toll-free from within Connecticut) and select **Option 2** from a touch-tone phone, or **860-297-4753** (from anywhere).