

Vermont Department of Taxes
 133 State Street
 Montpelier, VT 05633-1401

**Resident
 and
 Nonresident**


**This form applies only to
 estates of decedents who died
 after December 31, 2004**

ESTATE TAX RETURN

Name of Decedent (Last, First, Middle Initial)	Social Security Number
State of Domicile at Time of Death	Date of Death
Fiduciary's Name and Address	
Attorney's Name and Address	

**A DUPLICATE OF THE ESTATE TAX CLOSING LETTER MUST BE FILED
 WITH THIS DEPARTMENT WHEN IT IS RECEIVED FROM THE IRS**

A. This section is for estates of Vermont Resident Decedents where all of the decedent's property is located in Vermont. (Please attach a copy of Page 1 of Federal Form 706.)	
Estate Tax due from Schedule A, Line 6 on the back of this form. Please remit this amount. A.	
B. This section is for estates of Vermont Resident Decedents where the decedent's property is located in Vermont and in other states. (Please use computation Schedule B on the back of this form.)	
Estate Tax due from Schedule B, Line 8 on back of this form. Please remit this amount. B.	
C. This section is for estates of Nonresident Decedents where the decedent's property is located in Vermont and in other states. (Please use computation Schedule C on the back of this form.)	
Estate Tax due from Schedule C, Line 13 on back of this form. Please remit this amount. C.	

DECLARATION OF FIDUCIARY		
I hereby certify this return is true, correct and complete to the best of my knowledge. Preparers cannot use return information for purposes other than preparing returns.		
 SIGN HERE	Date	Telephone Number
<input type="checkbox"/> Check here if authorizing the VT Department of Taxes to discuss this return and attachments with your preparer.		
Preparer's Use Only	Preparer's signature _____ Address _____ City, State, ZIP Code _____	Date _____ Telephone Number _____

Make checks payable to **VERMONT DEPARTMENT OF TAXES** and mail this form to:

**Vermont Department of Taxes
 133 State Street
 Montpelier, VT 05633-1401**

COMPUTATION SCHEDULES

SCHEDULE A. Vermont Estate Tax Calculation - For use by all filers.

Before you begin the worksheet below, complete a pro forma Federal Form 706, Page 1, leaving Line 3b blank. Attach to Vermont return.

1. Federal tentative taxable estate from Federal Form 706, Page 1, Line 3a	1.	
2. Adjustment	2.	60,000.00
3. Adjusted taxable estate. Subtract Line 2 from Line 1	3.	
4. Use the amount on Line 3 above to compute the estate tax liability using the Vermont Estate Tax Table. Enter the tax amount here.	4.	
5. Enter amount from pro forma Federal Form 706, Page 1, Line 12	5.	
6. Vermont estate tax. Enter the amount from Line 4 or Line 5, whichever is smaller.	6.	

Vermont Estate Tax Table - Computation of Estate Tax Liability

(1) Adjusted taxable estate equal to or more than -	(2) Adjusted taxable estate less than -	(3) Tax on amount in column (1)	(4) Rate of tax on excess over amount in column (1)	(1) Adjusted taxable estate equal to or more than -	(2) Adjusted taxable estate less than -	(3) Tax on amount in column (1)	(4) Rate of tax on excess over amount in column (1)
0	\$40,000	0	(Percent) None	2,040,000	2,540,000	106,800	(Percent) 8.0
\$40,000	90,000	0	0.8	2,540,000	3,040,000	146,800	8.8
90,000	140,000	\$400	1.6	3,040,000	3,540,000	190,800	9.6
140,000	240,000	1,200	2.4	3,540,000	4,040,000	238,800	10.4
240,000	440,000	3,600	3.2	4,040,000	5,040,000	290,800	11.2
440,000	640,000	10,000	4.0	5,040,000	6,040,000	402,800	12.0
640,000	840,000	18,000	4.8	6,040,000	7,040,000	522,800	12.8
840,000	1,040,000	27,600	5.6	7,040,000	8,040,000	650,800	13.6
1,040,000	1,540,000	38,800	6.4	8,040,000	9,040,000	786,800	14.4
1,540,000	2,040,000	70,800	7.2	9,040,000	10,040,000	930,800	15.2
				10,040,000	---	1,082,800	16.0

SCHEDULE B. Vermont Resident Decedents with real and tangible personal property located outside Vermont.

(Attach a copy of the 706 **excluding** exhibits and appraisals.)

1. Vermont estate tax from Schedule A, Line 6	1.	\$	
2. Tax liability actually paid for death taxes to a state other than Vermont (Copies of nonresident returns must be attached.)	2.	\$	
3. Federal Total Gross Estate from Federal Form 706, Page 1, Line 1	3.	\$	
4. Non-Vermont Gross Estate* (see instructions for definition)	4.	\$	
5. Ratio of non-Vermont Gross Estate to Federal Estate (Line 4 divided by Line 3) ...	5.		
6. Adjusted Vermont estate tax (Multiply Line 1 by Line 5)	6.	\$	
7. Enter the lesser of Line 2 or 6	7.	\$	
8. Tax Due (Line 1 less Line 7). Enter here and on front of return, Section B	8.	\$	

SCHEDULE C. Nonresident Decedents with real and tangible personal property located in Vermont.

(Attach a copy of the 706 **excluding** exhibits and appraisals.)

9. Vermont estate tax from Schedule A, Line 6	9.	\$	
10. Federal Total Gross from Federal Form 706, Page 1, Line 1	10.	\$	
11. Vermont Gross Estate** (see instructions for definition)	11.	\$	
12. Ratio of Vermont Gross Estate to Federal Estate (Line 11 divided by Line 10) ...	12.		
13. Adjusted Vermont estate tax (Multiply Line 9 by Line 12)			
Tax Due. Enter here and on front of return, Section C	13.	\$	

NOTE: An estate with a closely-held farm business may be eligible for a special reduction in the Vermont estate tax. Contact the Vermont Department of Taxes at (802) 828-2548 for more information.

GENERAL INSTRUCTIONS

Date of Filing Returns

Vermont Estate Tax Returns are required to be filed at the time the Federal Estate Tax Return is required to be filed under the laws of the United States, including any extension of time for filing granted by federal authorities.

Tax Payable

The Vermont Estate Tax is due and payable by the executor or other fiduciary at the time the Vermont Estate Tax Return is required to be filed. An extension of time to file the VT Estate Tax Return does not extend the time to pay. The tax estimated to be due must be paid with the extension of time request.

Where to File

Vermont Department of Taxes
133 State Street
Montpelier, VT 05633-1401

Extension of Time

Prior to the due date of the return, a copy of the Federal application for extension of time to file or a letter requesting an extension of time must be submitted to the Vermont Department of Taxes

VT ESTATE TAX DEFINITIONS

Vermont Resident Decedent means a person whose domicile is in Vermont at date of death.

* ***Non-Vermont Gross Estate*** for a Vermont Resident Decedent means the total value of real estate and tangible personal property (cars, boats, clothes, jewelry, furniture, etc.) which is located outside Vermont at the date of death and is taxed by another state.

** ***Vermont Gross Estate*** for a nonresident decedent means the value of real estate and tangible personal property (cars, boats, clothes, jewelry, furniture, etc.) located in Vermont at date of death.

PLEASE NOTE: Bank accounts, stocks, bonds and mortgages are intangible assets and are taxable by the State in which the decedent was a resident at time of death regardless of where the asset was located at the date of death.