Notice

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Tax Type: Estate Tax
Brief Description: Succession Tax Repealed Retroactively
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Body:

Office of Policy & Research

NOTICE 2003-06

Succession Tax Repealed Retroactively

In the final days of the 2003 Session, the Kansas Legislature passed HB2005. New Section 49 of the bill provides for the retroactive repeal of the succession tax that was imposed on the estates of decedent's dying on or after June 6, 2002.

After approval by the Governor, the provisions of HB2005 will become effective July 1, 2003. Because approval is anticipated the Department of Revenue is asking that estates of decedent's dying on or after June 6, 2002 stop filing succession tax returns immediately.

Due to the retroactive nature of the repeal, succession tax that has been paid will be refunded. The general procedure for this process is set forth in the new law, and the Department of Revenue is in the process of preparing the required forms and working out the details of the system. Because the new law is not effective until July 1, 2003, refunds will not be issued until after that date.

Please note the Kansas law that imposes the estate tax (pick-up tax) has not changed. The estate tax must be reported and paid on time or penalties and interest will be imposed.

The changes made by HB2005 make it necessary for the Department of Revenue to redesign the forms used in reporting the estate tax imposed on decedent's estates. Until the new forms are available, please continue to use the current forms for reporting the estate tax. When filing the return, simply ignore the portions that deal with the succession tax.

The Department of Revenue will publish additional information concerning the repeal of the succession tax and the continuing estate tax over the course of the next several weeks. Please look for up to date information on our web site.

To obtain additional copies of this or any other notice call the Kansas Department of Revenue's voice mail forms request line at (785) 296-4937 or download them from our web site: **www.ksrevenue.org**. If you have any questions about this notice or Kansas estate tax, please contact our Estate Tax Unit.

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