Notice

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Brief Description: Retroactive Repeal of Succession Tax - Refund Procedures
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Body:

Office of Policy & Research

NOTICE 03-07

Retroactive Repeal of Succession Tax
Refund Procedures

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.

Which Estates Qualify For Refund

The Kansas succession tax was effective for estates of decedent's dying on or after June 6, 2002 until its repeal effective May 22, 2003. Any estate that filed a succession tax return and paid the succession tax will qualify for a refund.

The Kansas law that imposes the estate tax (pick-up tax) has not been repealed. Estate tax paid during this period will not be refunded. And, because the estate tax (pick-up tax) remains in effect, the estate tax must be reported and paid on time or penalties and interest will be imposed.

How To Claim A Refund

To claim a refund, the personal representative of the estate, attorney for the estate, or preparer of the succession tax return must complete and submit a claim of refund. Please use Form K-709, Kansas Succession Tax Refund Claim. This form is available on the Department of Revenue's web site at: **www.ksrevenue.org** or can be obtained by calling the voice mail forms request line at (785) 296-4937.

When And Where To File A Claim Of Refund

A claim for refund may be submitted immediately. Form K-709 should be submitted to:

Kansas Succession Tax
915 SW Harrison Street
Topeka, KS 66625-2222

What Will Be Included In The Refund

The refund will include all of the succession tax paid by the estate. Interest will not be included if the refund is made within sixty (60) days of the date the claim is submitted. Refunds made after sixty (60) days of the date of submission will include interest from the date of the claim.

What Kind Of Documentation To Expect

As soon as a claim of refund has been approved, the Department of Revenue will issue a refund letter. This letter will explain that the succession tax has been repealed, and will indicate the amount of tax to be refunded. A refund check will be issued shortly thereafter, and will be mailed separately.

The following situations will be handled in the manner indicated:

• If the estate filed an Estate and Succession Tax Return, Form K-707, paid both estate tax and succession tax and a Closing Letter was previously issued, a revised Closing Letter that reflects only the estate tax will be issued.

• If the estate filed an Estate and Succession Tax Return, Form K-707, paid both estate and succession tax but a Closing Letter has not yet been issued, the Closing Letter will reflect only the estate tax.

• If the estate filed an Estate and Succession Tax Return, Form K-707, paid only the estate tax and a Closing Letter has not yet been issued, the Closing Letter will reflect only the estate tax.

• If the estate filed a Succession Tax Return, Form K-708, paid the succession tax and a Closing Letter was previously issued, a revised Closing Letter will not be issued. The refund letter should be retained to explain the change in the estate's tax liability.

• If the estate filed a Succession Tax Return, Form K-708, but did not pay the succession tax a Closing Letter will not be issued. A letter that explains the tax has been repealed will be issued, and that letter should be retained to explain the estate's tax liability.

For More Information

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.

Kansas Estate Tax
Kansas Department of Revenue
915 SW Harrison St.
Topeka, KS 66625-2222
In Topeka call: 368-8222
Outside Topeka call toll free: 1-877-526-7738

Fax: (785) 296-4993

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