Ohio | Department of Taxation
P.O. Box 183050
Columbus, OH 43218-3050

Ohio Estate Tax Return and Instructions

For dates of death January 1, 2001–December 31, 2001.

Revised 1/01

For completing the Ohio Estate Tax Return for estates with dates of death January 1, 2001–December 31, 2001 please review the following:

First: Read the General Information Section located on pages 18 and 19 for instructions.

Then: Complete only the applicable schedules of the return, which are on pages 4 through 17.

When you are finished:

First: Check your computation.

Then: Follow the instructions in the General Information Section, page 18, for where to file and pay.

Note: Estates with dates of death **PRIOR** to January 1, 2001 must file an Ohio Estate Tax Form 2, Revised 3/2000.

For further information, please contact the Estate Tax Unit's toll-free information and assistance line at 1 (800) 977-7711

(Ohio Relay Service 1 (800) 750-0750)

Reset Form

Estate Tax Form 2
Rev. 1/01

Ohio Estate Tax Return for all Resident Filings
for Dates of Death January 1, 2001–December 31, 2001
File in Duplicate with the Probate Court

Check one: ☐ Taxable ☐ Nontaxable

Estate of: Decedent's last name	Decedent's first name and initial	Date of death
Date of birth	Cause of death	Occupation Decedent retired Yes ☐ No ☐
Address of decedent at time of death (number and street, city, state and ZIP code)		Decedent's social security number
County in Ohio in which probate court located, where will probated or estate administered		Case number

Tax Computation

1. Total gross estate (from page 2)		
2. Total deductions (from page 2)	$ ( )	
3. Net taxable estate (line 1 minus line 2)		$
4. Tentative tax based on line 3 (use table on page 2)		$
5. Less: Estate tax credit	$ (6,600.00)	
6. Tax (line 4 minus line 5)		$
7. Less: Previous payments	$ ( )	
8. Balance due (if amount on line 7 is less than tax amount on line 6, enter difference as balance due)		$
9. Overpayment (if amount on line 7 is greater than tax amount on line 6, enter difference as a refund)	$ ( )	

Executor/Administrator Waiver to Receive Correspondence

I/we do not wish to receive further correspondence from the Ohio Department of Taxation regarding this estate, and hereby authorize all such communication to be directed only to the estate's legal representative named below.

Signature of Executor/Administrator

Declaration

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 deceased's personal representative or person in possession of property is based on all information of which preparer has any knowledge.

Name of attorney representing the estate	Address (number and street, city, state and ZIP code)		Telephone number
Name of executor/administrator(s)	Address (number and street, city, state and zip code)		Telephone number
Signature of executor/administrator(s)	Date	Signature of preparer	Date

Date Filed with Probate Court	Distribution of Subdivision's Share of Tax (Section 5731.48 & 5731.50 O.R.C.)		Date Received by Ohio Department of Taxation
	Percentage	City, Village or Township	

Recapitulation of Assets

Schedule	Alternate Value	Value at Date of Death
A. Real property	$	$
B. Stocks and bonds		
C. Mortgages, notes and cash		
D. Insurance		
E. See Schedule E, Part I		
Joint and Survivorship Property, Part II		
F. Other miscellaneous property		
G. Transfers during lifetime		
H. Powers of appointment		
I. Annuities, pensions, retirement plans		
Total gross estate (enter on line 1, page 1)	$	$

Recapitulation of Deductions

Schedule	Amount
J. Debts and administration expenses	$
K. Charitable bequests	
L. Marital deduction	
T. Qualified family-owned business interest deduction	
Total deductions (enter on line 2, page 1)	$

Elections by the Executor

Please check the "yes" or "no" box for each question. (See explanation of elections on pages 20 and 21.)	Yes	No
1. Do you elect alternate valuation? O.R.C. Section 5731.01(A) and (D)		
2. Do you elect qualified farm property valuation? O.R.C. Section 5731.011		
3. Do you elect to claim a marital deduction for qualified terminable interest property (QTIP)? O.R.C. Section 5731.15(B)(2)		
4. Do you elect to claim a deduction for a qualified family-owned business interest? O.R.C. Section 5731.20		

Tax Table

Net Taxable Estate (from line 3, page 1)	**Tax Rate**
Not more than $40,000	2% of taxable estate
More than $40,000 but not more than $100,000	$800 + 3% of excess more than $40,000
More than $100,000 but not more than $200,000	$2,600 + 4% of excess more than $100,000
More than $200,000 but not more than $300,000	$6,600 + 5% of excess more than $200,000
More than $300,000 but not more than $500,000	$11,600 + 6% of excess more than $300,000
More than $500,000	$23,600 + 7% of excess more than $500,000

Information

	Yes	No
1. Did the decedent die testate? ..... **If "yes," please attach a copy of the will.**		
2. During the decedent's lifetime, were there any trusts created (by the decedent or others for the decedent)? .. If "yes," please attach a copy of the trust.		
3. Were any disclaimers filed or elections to take against the will made? ..... **If "yes," please attach copies of the disclaimer or election.**		
4. Have federal gift tax returns ever been filed? ..... **If "yes," please attach copies of the returns.**		
5. Was a federal estate tax return required? ..... **If "yes," please attach pages 1, 2 and 3 of Federal Form 706.**		

6. Marital status of the decedent at time of death:

- ☐ Married
- ☐ Name of surviving spouse (if applicable) _____
- ☐ Social security number of surviving spouse _____
- ☐ Single
- ☐ Legally separated
- ☐ Divorced
- ☐ Widowed

  Name of deceased spouse _____

  Social security number of deceased spouse _____

  Date of death of deceased spouse _____

  Case number of deceased spouse's estate _____

  County of deceased spouse's estate _____

	Yes	No
7. If widow or widower, was a qualified terminable interest property (QTIP) deduction elected in the predeceased spouse's estate?		

If "yes," please read information below and complete Schedule F, page 10.

O.R.C. Section 5731.131 requires the estate to include property in which the decedent had an income interest for life for which a marital deduction was allowed with respect to the transfer of that property under any of the following:

a. O.R.C. Section 5731.15(A)(1) (for dates of death on or before June 30, 1993)

b. O.R.C. Section 5731.15(B) (for dates of death on or after July 1, 1993)

c. I.R.C. Section 2523(f) (lifetime QTIP gift tax election)

d. Where the decedent's predeceased spouse was not a resident of the state of Ohio but was permitted a marital deduction under I.R.C. Section 2056(b)(7).

General Information

When an estate tax return is required (Section 5731.21)

Estates with a gross value of more than $200,000 are required to file an ET Form 2. Executors and administrators are responsible for filing the estate tax return.

Returns are not required to be filed for gross estates with a value of $200,000 or less. **However, if the estate consists of real estate and has a value of $200,000 or less, an ET Form 22 should be filed with probate court to expedite the release of the real estate lien.**

What estate tax form is required to be completed (Section 5731.21)

If the date of death was **before January 1, 2001**, Ohio Estate Tax Return, Revised 3/2000, is required to be filed.

If the date of death was **on or after January 1, 2001**, Ohio Estate Tax Return, Revised 1/2001, is required to be filed.

When and where to file (Section 5731.21)

Returns are required to be filed within nine months from decedent's date of death. All filings must be made in duplicate with the probate court where will is probated or estate is administered.

When and where to pay (tax and interest) (Section 5731.23)

Interest begins to accrue at variable rates nine months from decedent's date of death. The county auditor will calculate any interest owing. Tax and interest are paid at the county auditor's office, with the check drawn to the order of the county treasurer.

Extension of time to file (Section 5731.21)

Estates of decedents with a date of death on or after January 1, 2000 are granted an automatic six-month extension, allowing them a total of 15 months to file the estate tax return. Any additional six-month extensions must be requested in writing directly to the Estate Tax Unit on ET Form 24 before the due date of the return.

Interest on any estate tax due will be calculated from nine months from date of death regardless if the estate utilizes the automatic or additional extensions. To stop the accrual of interest, an estimated payment of tax may be made. (See explanation of estimated payments on page 19.)

Extension of time to pay (Section 5731.25)

Estates of decedents with a date of death on or after July 24, 1986 may request to extend the time for payment of tax for undue hardship. Specific examples of undue hardship are listed in the Ohio Revised Code and include, but are not limited to, the following: (1) insufficient liquid funds despite efforts to convert assets to cash; (2) a substantial portion of the assets of the gross estate consisting of rights to receive payments in the future; and (3) the inability to accurately determine the size of the gross estate because a substantial portion of the decedent's assets is subject to litigation.

The estate must request this extension on the ET Form 41, no later than forty-five (45) days before the due date of the estate tax return. This form must be filed directly with the Estate Tax Unit. Additional extensions must be filed not less than thirty (30) days before the expiration of the previous extension. Each extension is granted for no more than one year per request. Additional extensions may be granted annually up to a maximum of 14 years. For further information, please refer to ET Bulletin 3A.

Estimated payments (Section 5731.23)

An estimated payment can be made prior to the filing of the estate tax return by using an ET Form 17. This payment will stop the accrual of interest on the amount of tax paid.

Estimated payments are collected in the same manner as stated on page 18 in **When and Where to Pay**. If the tax ultimately assessed is more than the estimated payment, interest on the excess will accrue nine months from decedent's date of death. If the tax ultimately assessed is less than the estimated payment, the estate may be eligible for a refund.

Penalties (Section 5731.22)

Failure to timely file the estate tax return (determined with regard to any extension approved) results in a penalty assessment.

The penalty is five (5) percent per month or any fraction of a month, not to exceed twenty-five (25) percent of the tax as finally determined. Interest does not accrue on penalty assessments.

Nonresident estates (Section 5731.19)

The estate of a nonresident decedent must file ET Forms 2 and 4 if the decedent owned the following types of property: real property situated in Ohio; tangible personal property having an actual situs in Ohio; and intangible personal property employed in carrying on a business within Ohio (unless exempted under Section 5731.34). The filing requirements are the same as for a resident decedent, except that the return may be filed directly with the county probate court where the Ohio property is located.

Additional tax (Sections 5731.18, 5731.19 and 5731.24)

An additional tax is due when the federal state death tax credit exceeds the Ohio tax paid. If an estate (resident or nonresident) falls into the federal estate tax category, ET Forms 3 or 3N (Additional Tax Returns) may be required to be filed. The return and payment are due sixty (60) days after the date of the final determination of the federal estate tax liability (closing letter or equivalent as issued by the I.R.S.). The additional tax shall be paid, without notice or demand by the Tax Commissioner, with the return, and shall be filed and paid in the same manner as the estate tax, except that interest begins to accrue sixty (60) days after the date of the final determination of the federal estate tax liability.

Distribution of tax (Sections 5731.48 and 5731.50)

For dates of death January 1, 2001–December 31, 2001, seventy (70) percent of the tax is distributed to the municipal corporation, village or township in which the tax originates and thirty (30) percent to the state of Ohio.

Marital deduction (Section 5731.15)

A marital deduction may be taken for certain property interests that pass from the decedent to the surviving spouse. Property interests that should be listed include the following: (1) survivor of tenancy by the entirety or joint tenancy; (2) appointee under decedent's exercise of a power; (3) statutory interests passing to a spouse as a result of a right of election to take against the will; and (4) bequests from decedent pursuant to will.

Property interests that should not be listed include: (1) property that does not pass from decedent to surviving spouse; (2) qualified terminable interests for which QTIP election is not made; and (3) property that has been disclaimed by a surviving spouse under O.R.C. Section 1339.68.

Explanation of Elections

Alternate Valuation Date (O.R.C. Section 5731.01(A) and (D))

The gross estate may be valued on the decedent's date of death or on an alternate valuation date. The alternate valuation date is six months from date of death unless the property item is sold, disposed of or distributed within that six months.

The executor must make an election by checking "yes" in the Elections section of the return. This election is mutually exclusive of the federal election. However, it must be elected within one year and nine months from the date of decedent's death or within one year from any extensions granted by the Tax Commissioner. Once made, this election is irrevocable.

If alternate valuation is elected, please list both date of death values and alternate values, and the alternate valuation date on the applicable schedules.

Qualified Farm Property Valuation (O.R.C. Section 5731.011)

The estate may elect Qualified Farm Property Valuation for determining the value of farm property as an alternative to its fair market value. To have qualified farm property valued at this special valuation, certain conditions must be met.* **This election must be made on a timely filed return determined with regard to any approved extensions of time to file.**

To help expedite the audit, please attach the following:

1. A complete ET Form 34 and 34A;
2. Most recent county auditor real estate property record;
3. Current Agricultural Use Valuation (CAUV) cards (from county auditor);
4. Fair market value appraisal (broken down into one-acre homesite, improvements and bare land only).

If the qualified farm property valuation is elected, use the qualified farm property value column in Schedule A or identify the qualified property under Schedule E or G.

*Please refer to ET Bulletin 5.

Qualified Terminable Interest Property (QTIP) (Section 5731.15 O.R.C.)

The Qualified Terminable Interest Property (QTIP) election allows certain life estates held for the surviving spouse to qualify for the marital deduction.

The requirements for QTIP are the following:

1. Surviving spouse must receive all the income for life payable annually or at more frequent intervals; and
2. No one can have a power to appoint the property to any person other than the surviving spouse during surviving spouse's life; and
3. The executor must make an election by checking "yes" in the Elections Section of the return. Once the election is made, it is irrevocable. This election must be made on a timely filed return determined with regard to any approved extensions of time to file.

The executor may make a partial QTIP election only if it is in the form of a fraction or percentage of available QTIP property. The specific interest should be clearly identified as QTIP.

The surviving spouse's estate must include all QTIP property claimed in the first spouse's estate, to the extent not consumed or given away, at the value on the date of death of the surviving spouse.

Explanation of Elections

Qualified Family-Owned Business Interest Deduction
(O.R.C. Section 5731.20)

Effective for estates of decedents dying on or after January 1, 2001, O.R.C. Section 5731.20 allows a deduction for qualified family-owned business interests. For a qualifying estate, the maximum deduction allowed cannot exceed $675,000. To claim the deduction, the executor must make a Section 5731.20 election (see page 2, Elections by the Executor, item 4) and attach completed Federal Form 706, Schedule T (Qualified Family-Owned Business Interest Deduction) and federally requested statements to the Ohio Estate Tax Return. In addition, each person in being having an interest in the property must sign a written agreement consenting to the application of the 10-year additional (recapture) tax. The deduction for the value of the qualifying business interest is claimed under Recapitulation of Deductions, page 2, of the Ohio return.

Section 5731.20 incorporates by way of statutory referencing all dispositive language contained in Section 2057 of the Internal Revenue Code.

Every definition and term used in Section 2057 such as “adjusted value of the qualified family-owned business interest,” “qualified heir,” “member of the family,” “material participation,” “applicable percentage,” and “adjusted tax difference” will have the same meaning and effect for purposes of Section 5731.20, unless otherwise provided.

For Ohio, if an estate qualifies, the election to claim the deduction can be made even if no federal return is required to be filed. Where a federal return is required to be filed, the election can be made for Ohio, even if not made federally. All qualified heirs shall be deemed to have met the Ohio requirement of consenting to the additional (recapture) tax by signing the agreement contained in the Federal Form 706, Schedule T. When applicable, the tax plus statutory interest will be due no later than the first day of the seventh month following the event causing the imposition of the additional (recapture) tax.

For further information, please contact the

Estate Tax Unit’s

toll-free information and assistance line at

1-(800) 977-7711

or

Visit our Web site at

www.ohio.gov/tax