

OKLAHOMA TAX COMMISSION AFFIDAVIT OF LINEAL HEIRS

STATE OF _____)

Date of Death: _____

COUNTY OF _____)

Attached hereto is a certified copy of the death certificate of _____

SSN _____ deceased.

Based upon investigation, Affiant states that, to the best of Affiant's knowledge, all of decedent's property, both real and personal, as well as any gifts made within 3 years of the date of death, pass only to lineal heirs, and that the decedent's net estate, as calculated on the reverse, is less than the applicable lineal exemption.

Decedent's net estate \$ _____ .

This affidavit is being filed instead of an Oklahoma Estate Tax return for the purpose of obtaining a release from the Oklahoma Tax Commission, exempting as nontaxable, all property included in the decedent's estate. Affiant further states and agrees to be liable for any tax due on the decedents estate subsequently determined by the Oklahoma Tax Commission after a Release Order is issued.

Under penalty of perjury, I declare that I, the undersigned personal representative, (or other) _____, have examined this affidavit and supporting schedules and to the best of my knowledge and belief it is true.

Affiant (Printed)

Affiant (Signature) SSN

Address

City State Zip

(_____) _____
Telephone

Subscribed and sworn to before me this _____ day of _____ 20 _____.

Notary Public

My Commission Expires: _____ Commission Number: _____

Attorney (or Preparer):

Name (Printed)

Signature

Address

City State Zip

(_____) _____
Telephone

Please Mail To:
OKLAHOMA TAX COMMISSION
ESTATE TAX SECTION
2501 NORTH LINCOLN BOULEVARD
OKLAHOMA CITY, OKLAHOMA 73194

OKLAHOMA TAX COMMISSION ESTATE SUMMARY

Estate of: _____ **aka:** _____

Probate Number: _____ **Probate County:** _____

GROSS ESTATE:

- 1. Real Estate, oil and gas leases, etc. \$ _____
- 2. Stocks, bond, etc. \$ _____
- 3. Personal Property \$ _____
- 4. Life Insurance \$ _____
- 5. Transfers during lifetime \$ _____
- 6. Total gross estate in Oklahoma (Total lines 1 thru 5) \$ _____
- 7. Property out-of-state \$ _____
- 8. Total gross estate (Total of lines 6 & 7) \$ _____
- 9. Oklahoma's % (Line 6 divided by line 8) _____ %

GROSS ESTATE:

- 10. Burial Plot, Crypt, Mausoleum and Monument Expenses \$ _____
- 11. Funeral Expenses \$ _____
- 12. Executor and Attorney Fees (court approved and paid) \$ _____
- 13. Other deductions (description) _____ \$ _____
- 14. Total Deductions (Total of lines 10 thru 13 x % on line 9) \$ _____

NET ESTATE:

- 15. Net Estate in Oklahoma (Line 6 minus line 14) \$ _____
- 16. Less lineal exemption allowed (see chart) multiplied by % on line 9 \$ _____

List Heirs, Devisees and Legatees below:

NAME AND SOCIAL SECURITY NUMBER	RELATIONSHIP	VALUE OF DISTRIBUTION

Approval of this summary and corresponding schedules is subject to review by the Oklahoma Tax Commission. The Oklahoma Tax Commission may request additional information when deemed necessary.

INSTRUCTIONS FOR LINEAL HEIR AFFIDAVIT

Who can use this affidavit:

Only estates with lineal heirs and a net estate value of less than the applicable exemption. If any property from the decedent's estate passes to a surviving spouse, charity or other entity that is not a lineal heir, this affidavit cannot be used and an Estate Tax Return Form 454 or a Spousal Affidavit Form 454-A must be completed. If there is an additional tax imposed to absorb the Federal credit, Form 454 must be used.

Examples of heirs:

Lineal: Decedent's parents, children, step-children, grandchildren and great grandchildren.

Collateral: Decedent's step-parents, brother, sister, aunt, uncle, step-grandchildren, nephew, niece, friend, pets, and others.

Timely Filing Required:

A completed affidavit and supporting schedules must be filed within 9 months of the date of the decedent's death. An extension of time to file, if requested in writing, may be granted for a period not to exceed 6 months. The request for the extension must be made before the expiration of the normal 9 month filing period. Interest begins to accrue on any tax unpaid after the 9 month due date. An extension does not affect the date that tax is due or the date that interest begins to accrue.

Lineal Exemption Schedule:

If the estate includes out-of-state property, the exemption should be prorated per Title 68 O.S. 809 (D).

For deaths prior to January 1, 1999, the exemption amount is \$175,000.

<u>For Deaths On or After</u>	<u>&</u>	<u>Before</u>	<u>Exemption Amount</u>
January 1, 1999		January 1, 2000	\$ 275,000
January 1, 2000		January 1, 2001	\$ 475,000
January 1, 2001		January 1, 2002	\$ 675,000
January 1, 2002		January 1, 2004	\$ 700,000
January 1, 2004		January 1, 2005	\$ 850,000
January 1, 2005		January 1, 2006	\$ 950,000
January 1, 2006		January 1, 2008	\$1,000,000
January 1, 2008		January 1, 2009	\$2,000,000
January 1, 2009		January 1, 2010	\$3,000,000
January 1, 2010		Estate Tax Repealed	

Cost Basis Adjustment:

In order for this affidavit to establish a stepped-up cost basis for certain property of the estate, a separate schedule itemizing each asset type is required. If no cost basis adjustment is desired then no additional schedules are required.

- For Real Estate: attach Schedule A-1 from the Estate Tax Form 454
- For Oil, Gas and Minerals: attach Schedule A-2 from the Estate Tax Form 454
- For Stocks and Bonds: attach Schedule B from the Estate Tax Form 454

Form 454 and instructions are available on our website at www.tax.ok.gov.

Alternate Valuation:

If the Alternate Valuation Election is made, all real estate, gas, oil, minerals, stocks and bonds, and all tangible personal property must be valued as of 6 months after the date of death. This election does not affect the value of any accrued rents or the value of growing crops.

The estate tax release will be mailed to the attorney (or preparer) as listed on the affidavit. If none is listed, it will be mailed to the affiant.

If you have Estate Tax questions, please call (405) 521-3237 and ask for the Auditor of the Day.

GROSS ESTATE

Line 1: Real Estate, Oil, Gas or Minerals:

Real Estate is to be stated at fair market value as of the date of death (or the alternate valuation date if so elected). Include the value of the decedent's interest if jointly owned. Mortgages against the real estate should be listed on line 13. Growing crops are to be included at the date of death value regardless of the alternate valuation date election. If the decedent was the recipient of a life interest from someone else, include that property at – 0 value.

Oil, gas or mineral leases, rentals, royalties and leasehold interest in the State of Oklahoma is also listed here. In the absence of an appraisal by a geologist or petroleum engineer, the minimum value to be reported is:

- a. Producing minerals: except as noted, oil income should be valued at 48 times the average monthly income for the six months before to six months after the date of death. Gas income should be valued at 84 times the average monthly income for the six months prior to and six months after death. The Oklahoma Tax Commission shall not be bound by the submitted evaluation.
- b. Non-producing leased: the value should be 1^{1/2} times the lease bonus if the lease was made within 1 year of the date of death.
- c. Non-producing non-leased: these values can be obtained by calling the Estate Tax Section of the Oklahoma Tax Commission.

Line 2: Stocks and Bonds:

Include all stocks and bonds at full market value as of the date of death or alternate valuation date. Also include the value of any sole proprietorship on this line. Joint tenancy property must be listed at full value unless the surviving joint tenant's interest is by documentation of contributions made with funds separate from the decedent's. The documentation must be accompanied by a sworn affidavit from the surviving joint tenant which sets forth the facts and supports the claim [Title 68 O.S. Sec 807(A)(4).]

Examples of exempt bonds may be found on the Estate Tax Return Form 454 which is available on our website. Other bonds may be exempt. Refer to statutes cited on the face of the bonds issued.

Line 3: Personal Property - tangible and intangible:

Intangible personal property follows the domicile of the decedent, except for any intangibles used in connection with an established business with a situs in this state. See [Title 68 O.S., Sec 807(7)] for more information. Intangible personal property includes: cash on hand or on deposit, notes, mortgages, accounts receivable, contracts of sale and decedent's interest in partnerships located both within and without the State of Oklahoma. See 710:35-5-1 for rules concerning the reporting of wrongful death claims.

Line 4: Life Insurance:

Include the amount actually paid by the insurance company. Also include all life insurance policies upon which the decedent owned any interest on the life of someone else.

Line 5: Transfers During Life Time:

Include the value of all transfer of property, real, personal, or mixed, or any interest therein, made by the decedent which were intended to take effect in possession or enjoyment at or after death, regardless of the date of transfer. Also include the value of all transfer of property, real, personal, or mixed, or any interest therein, either in trust or by deed, bargain, sale or gift, where such transfers were made without any equivalent in monetary consideration, within 3 years of the date of death.

Line 7: Property out-of-state:

Include the gross value of all real estate, or any interest therein, and all personal property having a taxable situs outside of the State of Oklahoma. Personal property is taxable in the state of domicile. Debts and mortgages should be listed on line 13. The value of the property is required only for the purpose of arriving at the percentage deduction and exemption allowed by statute.

DEDUCTIONS

Line 10: Burial Plot, Crypt Mausoleum and Monument Expenses:

Monuments are limited to \$500, burial plots, crypts or mausoleums are limited to \$1,000.