

## **TAX PLANNING AND CONSEQUENCES OF PROBATE**

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### **Critical Due Dates:**

Probate, like nearly every other practice area, requires a monitoring of timelines and critical dates. Some timelines begin with the opening of a probate case, and other deadlines are tracked based upon the decedent's date of death. To track these deadlines, each time a file is opened at my firm, a worksheet is created that lists all critical dates associated with that particular probate file. Some deadlines are imposed upon the fiduciary by the probate court; while other deadlines are imposed upon the fiduciary by the Internal Revenue Service ("IRS"). Most tax deadlines are tracked by beginning with the decedent's date of death. In my written material, I have made every effort to provide citation to legal sources for your assistance and guidance.

The table below provides a summary of critical dates that must be considered for every probate administration. While not every deadline is expressly tax related, each deadline is relevant to tax issues:

<u>Requirement</u>	<u>Deadline</u>
Time Permitted to Close Estate	12 months with extensions provided in court's discretion.
Publish Notice to Creditors in Newspaper	Within 15 days of date Notice is signed by court
Bar Date for Creditors	3-4 months after probate case is opened
Complete Probate Inventory	6 months after Personal Representative is appointed
Complete Estate Account	No precise statutory deadline, but it generally must be completed before the estate can be closed and the final fiduciary

	income tax return is filed
File Final Individual Income Tax Return for Decedent (IRS Form 1040)	Due by April 15 <sup>th</sup> of the year following decedent's date of death
File First Fiduciary Income Tax Return (IRS Form 1041)	Depending upon whether a calendar year or fiscal year is selected, the deadline will be 3.5 months after the closing month of the tax year.
File Federal Estate Tax Return	Due nine months from decedent's date of death

### Time Permitted to Close Estate

The first deadline to consider is how long a probate court case may remain open. “All estates are to be completed as soon as reasonably possible and without unnecessary delay.”<sup>1</sup> The Wisconsin Chief Judges have set twelve (12) months as the benchmark for disposing of probate cases. Consequently, probate cases are to be disposed of within twelve (12) months of filing the case initiation documents. Shortly after a probate case is opened, the court will mail a Notice of Administration Deadlines to the Personal Representative and attorney of record.<sup>2</sup> Until a few years ago, courts commonly permitted personal representatives 18 months to close an estate, which is still part of Wisconsin's Statutory framework.<sup>3</sup> Although in Wisconsin either formal probate or informal probate may be used, it has been my experience that nearly every attorney chooses to use informal probate, unless he or she is forced into formal probate due to some factual requirement or demand by a beneficiary. Deadlines for formal and informal probate are similarly enforced by the court.

Section 863.35 of the Wisconsin Statutes provides the following:

If under formal administration final judgment is not entered in an estate within 18 months after filing of the petition for administration and the estate is not open pursuant to an order extending time, the judge shall order the attorney and the personal representative for the estate to show cause why final judgment has not been entered and shall proceed under s. 857.09.

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<sup>1</sup> WIS. STAT. § 863.33.

<sup>2</sup> A sample Notice of Estate Administration Deadlines is attached to this material.

<sup>3</sup> See WIS. STAT. § 863.35.

If under informal administration under ch. 865 the estate has not been closed by sworn affidavit within 18 months after filing of the petition for administration and the estate is not open pursuant to an order extending time, the probate registrar shall order the personal representative for the estate to show cause why the estate has not been closed. If cause is not shown the probate registrar shall appoint a new personal representative acceptable to all interested parties other than creditors of the deceased who shall proceed under ch. 865.

It is common to need more than twelve (12) months or even eighteen (18) months to close a probate estate.<sup>4</sup> Delays are caused by a variety of factors, with tax issues being a primary factor. Anytime you are approaching the twelve (12) or eighteen (18) month deadline imposed by the Register in Probate, you should file a Petition for Extension of Time and accompanying Order for Extension of Time.<sup>5</sup> <sup>6</sup> The courts generally understand that complexities and issues arise related to closure of estates. To keep your Register in Probate office happy with your performance as an attorney, you should strive to file Petitions for Extension prior to receiving an Order to Show Cause. The Petition for Extension should recite the reason you need extra time to close the estate (*e.g.*, You may use the following language: “Additional time is needed to file federal estate tax return (IRS Form 706) for decedent. An extension of time was filed with the IRS related to Form 706. The current deadline for the return is fifteen (15) months from decedent’s date of death, or September 23, 2012.). Ultimately, if a Petition for Extension of Time is not filed with the court, the Register in Probate will set a court hearing and issue an Order to Show Cause related to why the estate has not been closed.<sup>7</sup> The Order to Show Cause will be mailed to the Personal Representative and the attorney of record. Some courts will also send the Order to Show Cause to all interested persons of an estate. Regardless of whether you have the best reason in the world for delay, clients do not appreciate receiving an Order to Show Cause.

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<sup>4</sup> In my practice, the longest open probate case I have administered lasted seven years.

<sup>5</sup> Nearly all commonly used probate forms are available on the internet at <http://www.wicourts.gov/forms1/circuit/index.htm>. All commonly used probate forms referred to in this written material are attached as Exhibits. Each probate form is referred to by a reference number that begins with “PR”.

<sup>6</sup> See Forms PR-1833 and PR-1834.

<sup>7</sup> WIS. STAT. § 863.35.

### Publish Notice to Creditors

It is crucial that all creditors are properly notified, especially because tax returns need to be properly completed, including taking a deduction for every deductible expense and creditor payment. When a formal or informal probate case is opened in Wisconsin, a Notice to Creditors must be published in the local newspaper.<sup>8</sup> The first insertion of the notice in the newspaper must be made within fifteen (15) days of the date the Notice to Creditors is signed by the court.<sup>9</sup> If you miss this deadline, you will need to file an Amended Notice to Creditors, Notice Setting Time to Hear Application and Deadline for Filing Claims, or Order Setting Time to Hear Petition for Administration and Deadline for Filing Claims with the court and then publish the amended notice.<sup>10</sup>

### Bar Date for Creditors

If properly notified, Creditors must file a claim against a probate estate within a certain period of time. Section 859.01 of the Wisconsin Statute provides the following:

When an application for administration is filed, the court, or the probate registrar under informal administration proceedings, shall by order set a date as the deadline for filing a claim against the decedent's estate. The date shall be not less than 3 nor more than 4 months from the date of the order. If a claim is not filed by the deadline, the consequences provided in s. 859.02 apply.

Nearly every probate court in Wisconsin will impose the three month deadline for creditor claims. If you know that a decedent has outstanding tax liabilities to the Wisconsin Department of Revenue ("WDOR") or IRS, you should send a copy of the Notice to Creditors to the respective tax agency; however, the normal deadline that applies to nearly every creditor does not apply to a claim for taxes. Section 859.02(2) of the Wisconsin Statutes provides as follows:

**(2)** A claim against a decedent's estate that is not filed on or before the date set under s. [859.01](#) is not barred if:

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<sup>8</sup> WIS. STAT. § 859.07(1).

<sup>9</sup> *Id.*

<sup>10</sup> Which type of notice must be published is determined by your facts. If you are in formal probate, you will always publish the Order Setting Time to Hear Petition for Administration and Deadline for Filing Claims (PR-1903).

(a) It is a claim based on tort, on a marital property agreement that is subject to the time limitations under s. [766.58 \(13\) \(b\) or \(c\)](#), on **Wisconsin income, franchise, sales, withholding, gift or death taxes**, or on unemployment insurance contributions due or benefits overpaid; a claim for funeral or administrative expenses; a claim of this state under s. [46.27 \(7g\)](#), [49.496](#) or [49.682](#) or rules promulgated under s. [46.286 \(7\)](#); **or a claim of the United States** . . . .<sup>11</sup>

The deadline imposed upon creditors does not apply to tax liabilities that the decedent owes to the WDOR or IRS. Query: What if the decedent owes taxes to a state other than Wisconsin? It would seem very plausible that the deadline for creditors would apply to every state other than Wisconsin. If your decedent owes taxes to another state, it is critical that you send a copy of the Notice to Creditors to the applicable state's department of revenue with appropriate references to the decedent's social security number and tax notices that may have been received by the decedent prior to his or her death. If the other state does not file a timely claim, you should be able to argue that the other state's claim is barred, assuming you have properly complied with the requirements of section 859.02(2)(b) of the Wisconsin Statutes.<sup>12</sup> If the state files a late claim, then you would need to file an appropriate objection with the court. Filing of objections to claims filed by creditors is beyond the scope of this outline, but filing of objections related to claims filed is routinely done in probate proceedings.

Be careful not to make any distributions of estate assets or income to beneficiaries prior to the bar date for creditors and addressing all outstanding tax issues of the decedent. If the personal representative has already distributed assets, the personal representative can be held personally liable for income or estate tax due from the decedent or the decedent's estate.<sup>13</sup>

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<sup>11</sup> WIS. STAT. § 859.02(2) (emphasis added).

<sup>12</sup> If the Personal Representative knows of an outstanding tax liability to another state, section 859.02(2)(b)(2) mandates that the Personal Representative provide notice to the other state at least thirty (30) days prior to the deadline established by section 859.01 of the Wisconsin Statutes.

<sup>13</sup> Pursuant to I.R.C. § 6901(a) and 31 U.S.C. § 3713(b), an executor is personally liable for a decedent's unpaid income and gift taxes if the executor: (1) knew the debt existed, and (2) distributed the estate without first paying the taxes. If the executor does distribute estate assets in excess of the federal tax debt, the executor is only liable to the extent of the improper distribution. For application of these code sections, see *United States v. Bartlett*, 186 F. Supp. 2d 876, 885 (C.D. Ill. 2002) (setting forth a five-part test); Allen

### Complete Probate Inventory

The preparation and filing of the probate inventory has been mentioned by other speakers. The probate inventory is very relevant to future tax filings that must be prepared by the Personal Representative. The probate inventory sets forth date of death values that apply to all assets subject to probate administration. The fair market value of each asset as of the decedent's date of death establishes your new tax basis for each asset.<sup>14</sup> When the fiduciary income tax returns are prepared for the estate, the inventory values will be used for capital gain or loss reporting purposes. An adjustment to basis (often referred to as a step-up in basis) is granted to all property owned by a decedent regardless of whether a federal estate tax return is filed for the decedent.

With tax return filings on the horizon, real estate, which was owned by the decedent, should be given special attention when completing the inventory. "[t]he value of property as of the date of the decedent's death **as appraised** for the purpose of the Federal estate tax . . . shall be deemed to be its fair market value."<sup>15</sup> Each parcel of real estate should be appraised. You will need to ask the appraiser to provide you with a date of death appraisal, which will always be a retroactive look at value. Without an appraisal, you would essentially be estimating fair market value. The only time I do not obtain an appraisal for real estate owned by a decedent is when the real estate sells shortly after the decedent's date of death. In this situation, the selling price between the willing seller and willing buyer provides ample evidence of fair market value. It is this selling price that should be listed on the probate inventory, not the net proceeds from the sale, but the selling price.<sup>16</sup> Real property should not be valued at the assessed value as indicated on a property tax bill "unless that value represents the fair market value as of

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v. Commissioner, 78 T.C.M. (CCH) 828 (1999) (suggesting a three-pronged inquiry). *See also* I.R.C. § 2002 related to estate tax liability. ("The tax imposed by this chapter shall be paid by the executor.") Great caution must be used by the personal representative if there are known tax liabilities.

<sup>14</sup> I.R.C. § 1014.

<sup>15</sup> TREAS. REG. § 1.1014-3(a) (1957) (emphasis added).

<sup>16</sup> "The fair market value is the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts." TREAS. REG. § 20.2031-1(b) (as amended in 1965).

the applicable valuation date.”<sup>17</sup> It is unusual in Wisconsin for a property tax assessed value to be at or near actual fair market value for the property. Certainly, this would not even be close when considering the valuation of farmland that is assessed at a reduced value for agricultural purposes. A certified appraisal provides your best evidence for establishing inventory value and basis under I.R.C. § 1014.

In addition to real estate, all other property subject to administration must be properly valued and listed on the inventory. Ultimately, a copy of the inventory must be attached to the fiduciary income tax return or Schedule CC that is filed with the Wisconsin Department of Revenue.<sup>18</sup> It is critical that your inventory figures match the figures used for reporting capital gain or loss on the fiduciary income tax returns.

The probate inventory must be completed before you complete the first fiduciary income tax return for the decedent’s estate. With a completed inventory, it will be much easier to properly report sales of capital assets on the fiduciary income tax returns. If you need more than six months to file the inventory, then you must file a Petition for Extension of Time with the court.<sup>19</sup>

#### Complete Estate Account

In a formal probate proceeding, “every personal representative shall file in the court a verified account of the personal representative’s administration”.<sup>20</sup> Unlike formal probate, if the estate is being administered as an informal proceeding, then an Estate Account need not be filed with the court; however, the Personal Representative is still obligated to provide a full written accounting to all distributees.<sup>21</sup> The personal representative must swear to the fact of this accounting when signing the Personal Representative’s Statement to Close Estate.<sup>22</sup> It is my practice to always complete and file an Estate Account when my firm represents a personal representative. By filing the Estate Account with the court, the personal representative is making a permanent record

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<sup>17</sup> *Id.*

<sup>18</sup> See Wisconsin Form 2 Instructions, p. 15. A copy of the instructions is attached. The instructions are available at <http://www.revenue.wi.gov/forms/2011/11i-022.pdf>.

<sup>19</sup> See Forms PR-1833 and PR-1834.

<sup>20</sup> WIS. STAT. § 862.01.

<sup>21</sup> WIS. STAT. § 865.16(1)(c).

<sup>22</sup> See Form PR-1816.

of the accounting. Form PR-1814 is used for accounting purposes. My firm has created a Microsoft Excel based file that automatically tallies and feeds each schedule's information onto the coversheet for the Estate Account.

In addition to supplying the beneficiaries of the estate with an accounting of the estate's administration, the Estate Account is also very useful when completing the fiduciary income tax returns. The Estate Account is the perfect resource to obtain the necessary financial information for use in completion of the fiduciary income tax returns. Also, the instructions from the WDOR generally require that a copy of the accounting be attached to the final fiduciary income tax return filed for the decedent's estate.<sup>23</sup>

#### File Final Individual Income Tax Return for Decedent

When a person dies, he or she is generally required to file a final income tax return with the IRS and WDOR. The due date for this return is April 15<sup>th</sup> of the year following the year of death (subject to modification for the 15<sup>th</sup> falling on a weekend or federal holiday). If necessary, the personal representative may apply for an automatic six month extension for these returns, which would extend the deadline to October 15<sup>th</sup>. This return reports all income earned by decedent from January 1 of the year of death through the date of death.

#### File First Fiduciary Income Tax Return

The Personal Representative is generally required to file fiduciary income tax returns to report all income earned by the decedent's estate from the date of death through the closing of the estate or the date all assets are distributed from the estate to beneficiaries.<sup>24</sup> A fiduciary income tax return must be filed if the estate has gross income of \$600.00 or more for the applicable tax year.<sup>25</sup> In fiduciary accounting, we are only concerned with income earned after the decedent's date of death. The due date for this return is dependent upon whether a calendar year or fiscal year is selected for the estate.

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<sup>23</sup> Wisconsin Form 2 Instructions, p. 2. The instructions read as follows: "Enclose a copy of the final account or a letter advising that a final account is not required by the probate court with the final fiduciary return."

<sup>24</sup> I.R.C. §§ 641-692 contains the principal rules related to taxation of estates. For Wisconsin fiduciary income tax reporting requirements, *see* WIS. STAT. § 71.13(1), *et seq.*

<sup>25</sup> I.R.C. § 6012(a)(3). A tax return must also be filed if any beneficiary of the estate is a nonresident alien, regardless of the amount of income earned by the estate. I.R.C. § 6012(a)(5).



The tax year is selected when application is made for a federal employer identification number (“FEIN”) with the IRS. The FEIN is also commonly referred to as a tax ID number, because most estates do not have employees.

The deadline for the return is most easily explained by using an example. If a person dies on May 10, 2012, the personal representative may choose, when obtaining the FEIN, a tax year that begins on May 10, 2012 and ends on December 31, 2012. This is known as a calendar year. Subsequent tax years for the estate would run from January 1<sup>st</sup> through December 31<sup>st</sup>. In the alternative, the personal representative may elect to use a fiscal year, which means that the first tax year would run from May 10, 2012 through April 30, 2013. Subsequent fiscal tax years for the estate would run from May 1<sup>st</sup> through April 30<sup>th</sup>.

If a calendar year is selected, the tax returns will always be due by April 15<sup>th</sup> of the following year. If a fiscal year is selected, the tax returns will be due on the 15<sup>th</sup> day of the fourth month following the last day of the closing month. In our example, above, if the tax year ends in April, then the fiduciary income tax returns would be due on August 15, 2013. While logic seems to imply use of a calendar year, it is actually more logical to use fiscal year accounting for estates. For instance, if a person dies on October 15, 2012, the personal representative will need to file the first fiduciary income tax returns by April 15, 2013. This deadline will approach quickly. A short calendar year will also almost always cause the personal representative to need to file two years of fiduciary income tax returns, because the estate will not be closed in this short period of time.

In my practice, I always choose a fiscal year for fiduciary accounting, unless my decedent died in January, which simply defaults to a calendar year. The fiscal year accounting will provide you more time before fiduciary income tax returns are due, and the twelve (12) month tax year will likely help reduce the number of fiduciary income tax returns that must be filed for most estates. In many cases, only one tax return will be required, because all assets of the estate will be distributed to beneficiaries within one

year. If you select a calendar year, you will often be required to file two sets of fiduciary income tax returns.<sup>26 27</sup>

#### File Federal Estate Tax Return

For decedents dying in 2012 with gross estates<sup>28</sup> that exceed \$5.12 million, the personal representative is charged with filing a federal estate tax return “within 9 months after the decedent’s date of death”.<sup>29</sup> The federal estate tax return is completed by filing IRS Form 706 with the IRS office in Cincinnati, Ohio. An automatic six month extension of time may be obtained to file the federal estate tax return by filing IRS Form 4768 with the IRS. Form 4768 must be mailed before the nine month deadline imposed by I.R.C. § 6075(a).

Wisconsin does not currently have an estate tax; however, if you are handling an estate for a person who died prior to December 31, 2007, then a Wisconsin estate tax return will be required if the decedent’s estate exceeded \$675,000.00. Of course, at this point, the estate tax return would be extremely late and subject to late filing penalties and interest.

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<sup>26</sup> See Karen S. Cohen, The 10 Most Powerful Postmortem Planning Pointers for Trusts and Estates, J. OF ACCT. (May 2012) (advocating selection of a fiscal year for estate accounting).

<sup>27</sup> For additional information related to tax year selection, see IRS Publication 538 and the instructions for IRS Form SS-4. It should be pointed out that a trust must always use a calendar year for tax reporting purposes. I.R.C. § 644(a). However, a trustee and personal representative may elect to treat all income earned by the trust as part of the estate for tax reporting purposes. See I.R.C. § 645. This election is made on the first return filed “for the first taxable year of the estate (determined with regard to extensions) and, once made, shall be irrevocable”. I.R.C. § 645(c).

<sup>28</sup> “Gross Estate” is defined by I.R.C. § 2031 and is not synonymous with the assets listed on the probate inventory.

<sup>29</sup> I.R.C. § 6075(a).

## **Obtaining a Tax Identification Number**

When a person dies, the personal representative may no longer use the decedent's social security number for tax reporting purposes. Shortly after the personal representative is appointed by the court, the personal representative should obtain a federal employer identification number ("FEIN") from the IRS. As noted above, this number is often referred to as a federal tax ID number. There are several ways to obtain an FEIN for an estate.

Historically, the FEIN was obtained by mailing or faxing a completed IRS Form SS-4 to the IRS, and these older methods may still be used. Currently, the simplest means of obtaining a FEIN is on the IRS website at [www.irs.gov](http://www.irs.gov). There is currently a link on the IRS home page labeled as "Apply for an EIN Online". By clicking on this link, you are directed to an online application. The application process applies to any FEIN that is being obtained from the IRS. For example, you would use this same application process to obtain a FEIN for a new corporation or trust. While using this online application, you may not use any punctuation other than a hyphen while entering your information.

On the application, you select "Estate" as your desired legal structure. You will need the decedent's address and social security number, and the personal representative's address to complete the online application. Federal law requires that this application be completed by the personal representative. Another person may complete the online application if he or she possessed an authorization and completed IRS Form SS-4.<sup>30</sup> Once the application is completed, the FEIN will be provided at that time. Also, the IRS website will ask whether you want to have a letter confirming the number sent to the personal representative. In the alternative, you may simply print off the letter from the IRS website. My firm always prints off the letter for our file. The letter is a PDF that should be maintained in the estate's file.<sup>31</sup> The FEIN is a nine digit number that is divided by a hyphen following the first two numbers.

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<sup>30</sup> A blank IRS Form SS-4 is attached. Instructions for Form SS-4 are available at [www.irs.gov](http://www.irs.gov).

<sup>31</sup> A sample letter is attached.

Once the FEIN is obtained, it should be used by the personal representative for all tax reportable activity. For example, if there are bank accounts or investment accounts in the decedent's name, the FEIN should be provided to the bank or financial institution. The bank or financial institution should be instructed to report all income earned from the decedent's date of death forward to the new FEIN. The bank or financial institution should discontinue using the decedent's social security number. All IRS Forms 1099 should be issued under this new FEIN. Taking this action will cause the bank or financial institution to issue two Forms 1099 for the tax year. One Form 1099 will report activity prior to the decedent's date of death, and the other Form 1099 will report activity from the date of death through the end of the year or the date the account is closed.

The FEIN is also used for any real estate conveyance that is made related to real property owned in the decedent's name. The FEIN should be provided to any title company or bank handling a sale of property owned by the estate. You want to make certain that the IRS Form 1099-S that is issued by the title company or bank report the real estate transaction under the appropriate tax ID number.

### **Filing IRS Form 56**

The Personal Representative must file Form 56 with the IRS.<sup>32</sup> This filing should be made shortly after the personal representative is appointed by the court. Form 56 provides notice to the IRS regarding the personal representative's fiduciary position in relation to the decedent. Form 56 is mailed to "the Internal Revenue Service Center where the return of the person for whom the fiduciary is acting is required to be filed."<sup>33</sup> Form 56 will cause any notice issued by the IRS to the decedent to be mailed to the personal representative. This is important when dealing with outstanding tax delinquencies or issues with the IRS.

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<sup>32</sup> A blank IRS Form 56 is attached. *See also* I.R.C. § 6903.

<sup>33</sup> TREAS. REG. § 301.6903-1(b)(2).

## **Filing Fiduciary Income Tax Returns**

As noted above, the personal representative is required to file an income tax return for the decedent's estate to report income earned by the estate following the decedent's date of death, if the total income for the estate's tax year exceeds \$600.00. The federal fiduciary income tax return is completed by preparing and filing IRS Form 1041 with the applicable Internal Revenue Service Center.<sup>34</sup> The Wisconsin fiduciary income tax return is completed by preparing and filing Wisconsin Form 2 with the Wisconsin Department of Revenue.<sup>35</sup> The information from Form 1041 flows to the Wisconsin Form 2. You cannot complete a Wisconsin Form 2, without first having completed the IRS Form 1041. To comprehensively cover fiduciary income tax return preparation would require a multi-day seminar. This material is meant to provide a baseline understanding. If you prepare, or intend to prepare, fiduciary income tax returns, you must keep abreast of tax law and form changes and gain a complete understanding of I.R.C. §§ 641-692.<sup>36</sup>

Often law firms handle the preparation and filing of the fiduciary income tax returns for personal representatives. Sometimes, the law firm or personal representative will engage a certified public accountant ("CPA") to prepare the returns. I have been preparing fiduciary income tax returns for fifteen (15) years. I have found that the attorney knows the facts of the probate file much better than the CPA, unless the CPA is very involved with the estate administration. If a CPA or other accountant is retained to prepare the returns, then the personal representative and attorney must be certain to provide all necessary personal and financial information related to the estate to the accountant. Many firms use professional tax software to prepare these returns. When I began practicing, I prepared the returns by hand, which was a time consuming adventure. The use of modern Windows based tax preparation software quickens the process

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<sup>34</sup> A blank IRS Form 1041 is attached. The Form 1041 will also have additional schedules attached as required by the particular factual circumstances of each estate.

<sup>35</sup> A blank Wisconsin Form 2 is attached. The Wisconsin form will also have additional schedules attached.

<sup>36</sup> These Internal Revenue Code sections were added as part of the 1954 Internal Revenue Code. The primary sections of code have remained basically untouched since 1954. The sections referred to are contained in Subchapter J of the Internal Revenue Code.

exponentially. Common tax software companies are Lacerte, CCH, Drake, and ATX. My firm uses Lacerte, which is Intuit's professional tax preparation software.

Fiduciary accounting is based upon an "either/or" model. Basically, all income earned by the estate will either be taxed to the personal representative with the tax paid as part of the Form 1041, or the tax will be paid by the beneficiary or beneficiaries of the estate. Like other taxpaying entities, an estate is designed to take advantage of flow-through accounting. The core of fiduciary accounting is distributable net income.<sup>37</sup> This is the income that flows out from the estate to the beneficiaries on a Schedule K-1.<sup>38</sup> The beneficiaries then report this income on each beneficiary's respective Form 1040. The Schedule K-1 must be understood to properly prepare fiduciary income tax returns. The Schedule K-1 acts like a comprehensive Form 1099. The Schedule K-1 can farm out income and/or deductions or losses to beneficiaries.

To begin preparation of the fiduciary returns requires a grasp of all financial activity that has occurred since the decedent's date of death. The best sources of financial information for a probate estate are the probate inventory and Estate Account. As noted above, the probate inventory amounts create new basis under I.R.C. § 1014. The Estate Account sets forth all activity that has occurred since the decedent's date of death. The schedules on the left side of the Estate Account represent income or loss, and the schedules on the right side represent distributions or expenses. While every probate expense is not deductible on Form 1041, the Estate Account contains all expenditures that may be deducted on Form 1041.

As a general rule, all interest, dividends, rents, annuity income, retirement income, and the like are reported as income on Form 1041. All administrative expenses, including fiduciary fees, attorney's fees, and probate court fees are deductible. Examples of other deductible expense are real estate taxes, publication costs, appraisal fees, recording fees, and interest paid on loan obligations of the estate. As can be seen by line 15(b) of Form 1041, some expenses are subject to a 2% floor before the deduction is permitted. The instructions to IRS Form 1041 and Wisconsin Form 2 are very useful

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<sup>37</sup> See I.R.C. § 643 for definition of distributable net income.

<sup>38</sup> A blank Schedule K-1 is attached.

resources related to the proper completion of the fiduciary income tax returns. Some deductions that may be taken on Form 1041 may not be taken on Wisconsin Form 2 (*e.g.*, a deduction for real estate taxes).

Common deductions that may be taken on Form 1041 are provided by I.R.C. § 212. These are expenses that are incurred in the production of income for the estate. These deductions are not classified like deductions that would normally be permitted to a trade or business under I.R.C. § 162. An estate is not a trade or business. The estate may own a trade or business, but the estate is not a trade or business. Consequently, when an estate has expenses that exceed income in any year creating a “Net Operating Loss”, other than in the final year, which will be discussed below, the deductions are lost and do not carry forward to a subsequent tax year.

If the personal representative is required to file a federal estate tax return, the personal representative must decide whether to take deductions on Form 706 or on Form 1041. For example, the personal representative may not take a deduction for attorney’s fees on Form 706 and also deduct the attorney’s fees on Form 1041.<sup>39</sup> Now that Wisconsin has eliminated its estate tax, a personal representative must also remember that even if deductions are taken on Form 706 for federal estate tax purposes, the personal representative may not take a deduction on Wisconsin Form 2 for the same deductions, even though no Wisconsin estate tax return was filed. It is typically advantageous to take deductions on Form 706, because the estate is currently subject to estate tax at a 35% rate. If you are preparing fiduciary income tax returns, with a deduction applicable to taxable income and tax-exempt income, then the deduction must be allocated between taxable income and tax-exempt income.<sup>40</sup> This allocation will result in a percentage of the deduction being allocated to tax-exempt income, meaning that part of the deduction may not be recognized on Form 1041.

Estates are permitted a personal exemption of \$600.00.<sup>41</sup> This amount is inserted on line 20 of Form 1041. This deduction is only useful in a tax year which is not the final

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<sup>39</sup> I.R.C. § 642(g).

<sup>40</sup> TREAS. REG. § 1.652(b)-3.

<sup>41</sup> I.R.C. § 642(b)(1).

year. In the final tax year for the estate, which is also often the initial year, all distributable net income, excess deductions on termination and capital gain or loss are farmed out to beneficiaries on Schedule K-1. Distributable net income may not be reduced by the personal exemption.<sup>42</sup>

When the first Form 1041 is filed for an estate, the preparer must indicate that the return is the initial tax return by checking the appropriate box on page one of Form 1041. Quite commonly, the initial return will also be the final return. If the initial return is also the final return, then the preparer must also check the box for final return on page one of Form 1041. If the return is a return other than the final return, and the estate has taxable income that is greater than available deductions, a decision must be made.

If the estate was required to distribute income during the tax year or if the estate paid, credited, or was required to distribute any other amounts to beneficiaries during the tax year, then Schedule B on the second page of Form 1041 must be completed. Schedule B determines distributable net income and correspondingly the income distribution deduction. If income or amounts were distributed to one or more beneficiaries, then a Schedule K-1 will need to be included for each applicable beneficiary. The Schedule K-1 will reflect the amount of income that was distributed to the beneficiary. The beneficiary must include the income on his or her individual income tax return for the year in which the estate's tax year ended.

If no income or amounts were paid to beneficiaries, then no deduction is taken on line 18 of Form 1041. In this situation, any net income will be taxable to the estate, and the personal representative must pay the tax due from estate assets. If the estate's deductions exceed the income earned by the estate, then no tax will be due. Any capital loss may carry forward to the next tax year, but any loss associated with ordinary income is lost and does not carry forward.

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<sup>42</sup> I.R.C. § 642(a)(2). This rule exists because the IRS would be permitting two personal exemptions in this situation. One exemption for the estate and a personal exemption on the beneficiary's Form 1040.



The table below represents the applicable tax rates that apply to estates and trusts for tax year 2012:

<b><i>If Taxable Income is:</i></b>	<b><i>The Tax is:</i></b>
Not over \$2,400	15% of the taxable income
Over \$2,400 but not over \$5,600	\$360 plus 25% of the excess over \$2,400
Over \$5,600 but not over \$8,500	\$1,160 plus 28% of the excess over \$5,600
Over \$8,500 but not over \$11,650	\$1,972 plus 33% of the excess over \$8,500
Over \$11,650	\$3,011.50 plus 35% of the excess over \$11,650 <sup>43</sup>

Smaller estates will typically not be subject to income tax at the estate level; however, larger estates will commonly experience net income during a non-final year of administration unless income is systematically distributed to beneficiaries.

The final tax year is very different from other years. In the final year, all income, capital gain or loss, and any excess deductions on termination are typically passed through to the beneficiaries of the estate. If the estate's income is significant, this pass-through mechanism is highly beneficial considering the marginal rates that apply to estates as seen above. Each beneficiary of the estate must receive a Schedule K-1 that indicates what portion of income and/or deductions the beneficiary must report on his or her Form 1040. It is the personal representative's duty to provide each beneficiary with the necessary Schedule K-1. Wisconsin also has a version of a Schedule K-1 that must be provided to beneficiaries.<sup>44</sup>

Even if the estate has less than \$600.00 of income, it may be advantageous to file a final Form 1041. If on the termination of an estate, the estate has unused deductions or capital losses, those deductions and capital losses may be passed through to the estate's beneficiaries.<sup>45</sup> These amounts are reflected on each beneficiary's Schedule K-1. In my practice, I have repeatedly passed through losses to beneficiaries. For example, if the estate sells real estate, the estate almost always recognizes a capital loss. A final Form 1041 can be completed, which passes this capital loss out to the estate's beneficiary. If the loss is significant, the loss will save each beneficiary tax on his or her Form 1040.

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<sup>43</sup> Rev. Proc. 2011-52, 2011-45 I.R.B. 704.

<sup>44</sup> Wisconsin's form is referred to as Schedule 2K-1. A blank copy is attached.

<sup>45</sup> I.R.C. § 642(h).

The final tax year is also important in relation to the probate court proceeding. In Wisconsin, before a probate case may be closed, the personal representative must obtain a Closing Certificate for Fiduciaries from the Wisconsin Department of Revenue and file that certificate with the Register in Probate.<sup>46</sup> The Closing Certificate for Fiduciaries is obtained by filing Wisconsin Schedule CC with the Wisconsin Department of Revenue. Schedule CC may be filed in the same envelope as Wisconsin Form 2 or separately.<sup>47</sup> In addition, Schedule CC may be completed and e-filed on the WDOR website at [https://ww2.revenue.wi.gov/Internet/wi\\_efile/2011/ScheduleCC-2011.pdf](https://ww2.revenue.wi.gov/Internet/wi_efile/2011/ScheduleCC-2011.pdf).

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<sup>46</sup> This requirement may be dispensed with by order of the court if it is clearly evident to the court that no income tax is due or to become due from an estate. WIS. STAT. § 71.13(3). Generally, the Register in Probate reviews the probate inventory and Estate Account and makes a judgment call. It is often easy to determine whether any income will be earned simply by analyzing the estate's assets. Attached are a Petition for Waiver of Fiduciary Income Tax Returns and an accompanying order that are used in Rock County Circuit Court. Other counties may have produced a similar form.

<sup>47</sup> A blank Wisconsin Schedule CC is attached as well as a sample Closing Certificate for Fiduciaries.

## **Tax Issues Connected with an Insolvent Estate**

The primary concern with an insolvent estate is the personal representative facing personal liability for a decedent or estate's tax liability.<sup>48</sup> If a personal representative suspects or has actual knowledge of tax liability, then the personal representative must take offensive steps for protection. Under I.R.C. § 6901(1) and 31 U.S.C. § 3713(b), personal liability only attaches if the personal representative knew the tax or other governmental debt existed and distributed estate assets in excess of the federal liability. In addition, the personal representative is only liable in an amount equal to the value of the inappropriate distribution.<sup>49</sup> It is critical that a personal representative not distribute estate assets until tax liabilities are determined and paid.

The most effective means for a personal representative to avoid personal liability is to do the following:

1. File Form 56 with the Internal Revenue Service. This will cause all IRS notices related to the decedent to be sent to the personal representative's address.
2. Do a full investigation into all tax liabilities and priority expenses in accord with federal and state law.
3. If necessary, request copies of decedent's prior income tax returns by filing Form 4506 with the IRS.<sup>50</sup>
4. Apply for a discharge from personal liability by filing Form 5495 with the IRS.<sup>51</sup>

All outstanding tax returns must be filed with the IRS before Form 5495 may be filed.<sup>52</sup> If after filing Form 5495 with the IRS, the IRS seeks to impose personal liability on the personal representative, the personal representative will receive a notice of liability. The IRS has nine months to provide this notice to the personal representative from the time Form 5495 is filed. Within this nine month period of time, the personal representative

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<sup>48</sup> See I.R.C. § 6901(a) and 31 U.S.C. § 3713(b); *see generally supra* note 12 for additional explanation.

<sup>49</sup> 31 U.S.C. § 3713(b). This section of U.S. Code reads as follows: "A representative of a person or an estate (except a trustee acting under title 11) paying any part of a debt of the person or estate before paying a claim of the Government is liable to the extent of the payment for unpaid claims of the Government."

<sup>50</sup> A blank IRS Form 4506 is attached.

<sup>51</sup> A blank IRS Form 5495 is attached. Form 5495 may be used to apply for discharge for personal liability for income, gift, and estate tax pursuant to I.R.C. §§ 2204(a) (related to estate tax) and 6905(a) (related to income and gift tax).

<sup>52</sup> I.R.C. §§ 2204(a) and 6905(a). This requirement is also set forth in the instructions for Form 5495.

will either receive a notice claiming a tax due or no response from the IRS. If no response is received from the IRS and nine months passes by, the personal representative is discharged from personal liability.<sup>53</sup>

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<sup>53</sup> *Id.* See also instructions for IRS Form 5495.

## **Tax Treatment of Trusts**

Trusts are treated very similar to estates from a tax perspective; however, there are differences. As noted above, a trust must use a calendar tax year. A trust, falling under the definition of a Grantor Trust under the Internal Revenue Code, is not required to file separate income tax return from the Grantor of the trust.<sup>54</sup> In this situation, all income earned by the trust is reported to the social security number of the Grantor, and all income is reported on the Grantor's Form 1040. Trusts that are not grantor trusts report trust income on IRS Form 1041 and the applicable fiduciary state form(s).

Trusts are classified into two categories: (1) Testamentary Trusts and (2) *Inter Vivos* Trusts. A testamentary trust is a trust that is actually written into a person's Last Will and Testament. A trust created during a person's life is an *inter vivos* trust. Many *inter vivos* trusts are irrevocable upon creation and the trustee of the trust must file IRS Form 1041 to report income earned by the trust assets. Any trust that is not a grantor trust is also separated into two categories for income tax reporting purposes. There are simple trusts and complex trusts.

To be classified as a simple trust, three requirements must be met. First, the trust instrument must provide that "all of its income is required to be distributed currently."<sup>55</sup> Secondly, no distribution of trust corpus is distributed during the taxable year of the trust.<sup>56</sup> Thirdly, the trust may not have made any distributions that are deductible as charitable contributions under I.R.C. § 642(c). If a trust fails any prong of the three requirements, then the trust is a complex trust. A simple trust may be a simple trust for one tax year and then be a complex trust the following year. If a trust instrument requires that the trustee distribute all income, and the trustee also distributes principal in the same year, then the trust is a complex trust.

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<sup>54</sup> I.R.C. § 671. There are many estate planning reasons for creating and using grantor trusts. The most common form of a grantor trust is a trust created by a grantor that gives the grantor a power of disposition over the trust corpus. This definition encompasses the common revocable trust. Once the grantor dies, the revocable trust typically becomes irrevocable, and at that time, the trust will need its own FEIN and file its own IRS Form 1041 to report the trust's income. The creation and use of Grantor Trusts is beyond the scope of this material.

<sup>55</sup> I.R.C. § 651(a).

<sup>56</sup> *Id.*

By default, a complex trust is any trust that is not a simple trust. For example, if a trustee is not required to distribute all trust income annually, then the trust is a complex trust. Also, any trust that distributes income in the trustee's discretion is a complex trust. The allocation of income between the trust and the beneficiaries of a complex trust is far more complicated than a simple trust. With a simple trust, all income is allocated to the beneficiary or beneficiaries. Consequently, each income beneficiary will receive a Schedule K-1. The trustee will likely only pay income tax on capital gain that is recognized.

With a complex trust, there may be income allocated to beneficiaries of the trust and income that is added to principal. In this situation, a Schedule K-1 will be issued to any beneficiary that receives income during the tax year. In addition, the trustee may have to pay income tax on income that is not distributed during the tax year. The allocation of income also becomes tricky when dealing with mandatory distributions of income to one beneficiary but discretionary distributions to another beneficiary. In this case, trust income is allocated between mandatory distributions (referred to as Tier 1 income by practitioners and professors) and income that is distributed to a beneficiary in the discretion of the trustee (referred to as Tier 2 income).<sup>57</sup> For income that is taxed at the trust level and paid with the Form 1041, the tax rates set forth above that apply to estates also apply to trusts for 2012. The high marginal rates make distribution of trust income an important component of a trustee's fiduciary duties.

A trustee may elect to treat distributions that are made within the first 65 days of the taxable year of a complex trust as paid in the prior year.<sup>58</sup> This permits a trustee to assess the entire prior year's income and then make appropriate distributions. The election is made annually on IRS Form 1041. Currently, the election is made by checking a box on line 6 in the "other information" section on the second page of Form 1041. This election is also available to estates, but is normally only used with trusts.

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<sup>57</sup> I.R.C. § 661. The terms "Tier 1" and "Tier 2" are not found in the Internal Revenue Code or Treasury Regulations. Rather, the terms refer to I.R.C. § 661(a)(1) and 661(a)(2).

<sup>58</sup> I.R.C. § 663(b).

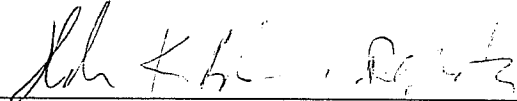
In the Estate of [REDACTED]

**Notice of Estate  
Administration  
Deadlines**

Case No. [REDACTED]

MICHAEL W. VOGEL  
VOGEL LAW FIRM, LTD  
19 S AUSTIN RD  
JANESVILLE WI 53548

1. The inventory of the estate assets at the date of death must be filed or exhibited by (date): **November 21, 2011**. The inventory must be filed (formal administration), filed or exhibited (informal administration), within this time frame with the statutory filing fee of .002 of the net value of the property subject to administration.
2. According to State of Wisconsin benchmarks, administration of the estate should be completed by (date): **May 22, 2012**.
3. If the deadlines cannot be met, the personal representative and attorney, if any, shall petition the court for an extension of the deadlines. The petition shall state specific reasons as to why the deadline(s) should be extended. The court may or may not grant any requested extension.
4. Failure to meet any deadline established by this notice or an extension of any deadline granted by the court will result in the personal representative and attorney, if any, being required to appear in court to show cause as to why the personal representative and/or attorney should not be removed or other sanctions imposed.

**ISSUED BY:**

Circuit Court Judge/Circuit Court Commissioner/Probate Registrar

May 23, 2011

Date

**Distribution:**

Court Original  
Michael W. Vogel  
[REDACTED]

STATE OF WISCONSIN, CIRCUIT COURT, \_\_\_\_\_ COUNTY

For Official Use

IN THE MATTER OF THE ESTATE OF

☐ Amended

**Petition for  
Extension of Time**

☐ Informal Administration

☐ Formal Administration

Case No. \_\_\_\_\_

1. I am the ☐ attorney ☐ personal representative ☐ special administrator for this estate.

2. I request that the court extend the time to

☐ file the Inventory for this estate until (Date) \_\_\_\_\_.

☐ complete this estate until (Date) \_\_\_\_\_.

3. The reason(s) that the deadline(s) for this estate needs to be extended is

☐ a. Tax clearances are outstanding:

☐ Federal Tax returns were filed or will be filed on (Specific date) \_\_\_\_\_.

☐ Wisconsin Tax returns were filed or will be filed on (Specific date) \_\_\_\_\_.

☐ b. Civil Case Pending:

Case No. \_\_\_\_\_ County \_\_\_\_\_ Next hearing date is \_\_\_\_\_.

☐ c. Real estate needs to be sold or problems with the sale/distribution of the land.

☐ d. Deficit estate and unresolved claims or unsatisfied specific bequests are outstanding.

☐ e. Disputes with heirs/beneficiaries are unresolved.

☐ f. Contested issues pending – Next hearing date is \_\_\_\_\_.

☐ g. Other: \_\_\_\_\_

Additional explanation for reason(s) indicated above: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

☐ See attached



\_\_\_\_\_  
Attorney/Personal Representative/ Special Administrator

\_\_\_\_\_  
Name Printed or Typed

\_\_\_\_\_  
Date

Form completed by: (Name)

Address

Telephone Number

Bar Number (If any)



STATE OF WISCONSIN, CIRCUIT COURT, \_\_\_\_\_ COUNTY

*For Official Use*

IN THE MATTER OF THE ESTATE OF

☐ Amended

**Order for  
Extension of Time**

☐ Informal Administration

☐ Formal Administration

Case No. \_\_\_\_\_

The court reviewed the petition requesting the court extend the time to

☐ file the inventory for this estate.

☐ complete this estate.

**THE COURT ORDERS:**

☐ 1. The request for extension is approved until (Date) \_\_\_\_\_.

☐ 2. The petition is denied.

☐ 3. Other: \_\_\_\_\_  
\_\_\_\_\_

**BY THE COURT:**

Form completed by: (Name)	
Address	
Telephone Number	Bar Number (If any)

☐ Circuit Court Judge ☐ Circuit Court Commissioner ☐ Probate Registrar

\_\_\_\_\_  
Name Printed or Typed

\_\_\_\_\_  
Date

STATE OF WISCONSIN, CIRCUIT COURT, \_\_\_\_\_ COUNTY

For Official Use

IN THE MATTER OF THE ESTATE OF

☐ Amended

**Order Setting Time to Hear  
Petition for Administration  
and Deadline for Filing Claims**  
(Formal Administration)

Case No. \_\_\_\_\_

A petition for formal administration was filed.

**THE COURT FINDS:**

The decedent, with date of birth \_\_\_\_\_ and date of death \_\_\_\_\_ was domiciled in \_\_\_\_\_  
County, State of \_\_\_\_\_, with a mailing address of \_\_\_\_\_.

**THE COURT ORDERS:**

1. The petition be heard at the \_\_\_\_\_ County Courthouse, \_\_\_\_\_,  
Wisconsin, Room \_\_\_\_\_, before Circuit Court Judge/Circuit Court Commissioner \_\_\_\_\_,  
on (Date) \_\_\_\_\_ at (Time) \_\_\_\_\_.

**You do not need to appear unless you object. The petition may be granted if there is no objection.**

2. The deadline for filing a claim against the decedent's estate is (Date) \_\_\_\_\_.
3. A claim may be filed at the \_\_\_\_\_ County Courthouse,  
\_\_\_\_\_, Wisconsin, Room \_\_\_\_\_.
4. Heirship will be determined at the hearing on petition for final judgment.
5. Publication of this notice is notice to any persons whose names or addresses are unknown.

**\*DO NOT PRINT the following if left blank:**

\*☐ The names or addresses of the following interested persons (if any) are not known or reasonably ascertainable:

If you require reasonable accommodations due to a disability  
to participate in the court process, please call \_\_\_\_\_  
at least 10 working days prior to the scheduled court date.  
Please note that the court does not provide transportation.

**BY THE COURT:**

☐ Please check with person named below for  
exact time and date.

Form completed by: (Name)

Address

Telephone Number

Bar Number

☐ Circuit Court Judge ☐ Circuit Court Commissioner

Name Printed or Typed

Date

**DO NOT PRINT the following text when publishing this order.**

**Notice to Newspaper and Personal Representative:**

Notice must be given by publication of this order in the following newspaper: \_\_\_\_\_  
once a week for three consecutive weeks; the first publication date must be within 15 days from the date of this order.

The personal representative is responsible for providing notice to all interested persons

1. by mailing, at least 20 days before the hearing, a copy of this order; and a copy of the will and codicils (if any) or notice of the  
nature and amount of devise or bequest; to every person entitled to notice; OR
2. by personal service, at least 10 days before the hearing.

The personal representative is responsible for providing the deadline for filing a claim against the decedent's estate to all known or  
reasonably ascertainable creditors.

# 2011 Instructions for the Wisconsin Fiduciary Return Form 2 and Schedules WD, 2K-1, and CC

Form 2 may be filed electronically! Additional information is available at [www.revenue.wi.gov](http://www.revenue.wi.gov) under "Online Services."

**New for 2011:** New business credits are available. See pages 5 and 6.

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## GENERAL INSTRUCTIONS

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**CAUTION:** As the Internal Revenue Service hadn't finalized the 2011 federal fiduciary income tax forms at the time Form 2, Schedules CC, WD, and 2K-1, and these instructions went to print, federal line numbers referred to may change.

### ■ Is the Estate or Trust Resident of Wisconsin?

**ESTATES:** The estate of a decedent is considered resident of Wisconsin if the decedent was domiciled in Wisconsin at the time of death.

**TRUSTS:** A trust created by a decedent's will (testamentary trust) is resident of Wisconsin if the decedent was domiciled in Wisconsin at the time of death, unless transferred by a court having jurisdiction to another court's jurisdiction.

Inter vivos trusts that are made irrevocable and were administered in Wisconsin before October 29, 1999, are considered resident of Wisconsin if they are being administered in Wisconsin.

The following inter vivos trusts that become irrevocable on or after October 29, 1999, or that became irrevocable before October 29, 1999, and are first administered in Wisconsin on or after October 29, 1999, are resident of Wisconsin:

1. Trusts, or portions of trusts, the assets of which consist of property placed in the trust by a person who is a resident of Wisconsin at the time that the property was placed in the trust if, at the time that the assets were placed in the trust, the trust was irrevocable.
2. Trusts, or portions of trusts, the assets of which consist of property placed in the trust by a person who is a resident of Wisconsin at the time that the trust became irrevocable if, at the time that the property was placed in the trust, the trust was revocable.

A trust is revocable if the person whose property constitutes the trust may revest title to the property in that person.

A trust is irrevocable if the power to revest title does not exist.

### ■ Must the Estate or Trust File a Return?

**RESIDENT ESTATES:** Every personal representative or special administrator of the estate of a Wisconsin decedent must file a Wisconsin fiduciary income tax return if the gross income of the estate is \$600 or more.

**Gross income** means all income (before deducting expenses) reportable to Wisconsin which is received in the form of money, property, or services. It does not include items that are exempt from Wisconsin tax.

**NONRESIDENT ESTATES:** A nonresident estate must file a Wisconsin fiduciary return if it has gross income (see definition above under "RESIDENT ESTATES") of \$600 or more from Wisconsin sources.

**Income from Wisconsin sources** includes income or gain from:

- a. Real or tangible personal property located within the state.
- b. A business, trade, profession, or occupation carried on within the state, including a corporation taxed under Subchapter S of the Internal Revenue Code.
- c. Personal or professional services performed within the state either as an individual or a member of a partnership.
- d. Income received from the Wisconsin state lottery or a multi-jurisdictional lottery if the winning lottery ticket or lottery share was purchased from a Wisconsin retailer.

**RESIDENT TRUSTS:** Every trustee of a Wisconsin trust must file a Wisconsin fiduciary income tax return if the trust has:

1. any taxable income for the tax year, or
2. gross income (see definition in the previous column under "RESIDENT ESTATES") of \$600 or more regardless of the taxable income.

**Example:** A resident trust has \$400 of interest income. It makes no distributions and therefore only has an exemption of \$100, which would result in taxable income of \$300. The trust is required to file a Wisconsin fiduciary return, because it has taxable income.

**NONRESIDENT AND PART-YEAR RESIDENT TRUSTS:** A nonresident or part-year resident trust must file a Wisconsin fiduciary income tax return if it has:

1. any Wisconsin taxable income for the year, or
2. gross income from Wisconsin sources (see definitions in the previous column and above under "RESIDENT ESTATES" and "NONRESIDENT ESTATES") of \$600 or more regardless of the taxable income.

### ■ Other Filing Requirements

**EXEMPT TRUSTS:** Trusts that are exempt under the Internal Revenue Code by reason of their purposes or activities are also exempt from Wisconsin income tax. Common law trusts organized or conducted for profit are deemed to be corporations and must file a Wisconsin corporation franchise or income tax return.

**NOTE:** Trusts that are exempt from federal taxation under section 501(a) of the Internal Revenue Code, including certain pension, profit-sharing, and stock bonus plans described in section 401(a) of the Internal Revenue Code, and individual retirement arrangements (IRAs) are required to report unrelated business taxable income for Wisconsin tax purposes. File a Wisconsin Form 4T if the trust reports unrelated business taxable income for federal purposes on federal Form 990-T and the trust has gross income from an unrelated trade or business of \$1,000 or more. For more information, obtain a copy of Wisconsin Form 4T from any Department of Revenue office.

**FINAL RETURN OF AN ESTATE OR TRUST:** A final fiduciary return reporting all income received from the beginning of the taxable year of closing to the date of closing is required.

The net income computed on the final return must be distributed to the beneficiaries and no income tax is payable by the fiduciary. The beneficiaries of the estate or trust must report income as if it had been received without the intervention of the fiduciary.

Enclose a copy of the final account or a letter advising that a final account is not required by the probate court with the final fiduciary return.

**INDIVIDUAL TAX RETURN FOR A DECEDENT:** A personal representative or petitioner must file an individual return for a decedent to report income from the beginning of the year to the date of death (Form 1, 1A, 1NPR, or WI-Z). The due date of the 2011 individual return is April 17, 2012. The filing requirements are as follows:

- a. Single persons.
  - (1) Under age 65 – gross income of \$10,110 or more.
  - (2) Age 65 or older – gross income of \$10,360 or more.
- b. Married persons filing jointly.
  - (1) Both spouses under age 65 – gross income of \$18,340 or more
  - (2) One spouse age 65 or older – gross income of \$18,590 or more
  - (3) Both spouses age 65 or older – gross income of \$18,840 or more
- c. Married persons filing separately – gross income of \$9,000 or more.
- d. Head of household.
  - (1) Under age 65 – gross income of \$12,850 or more.
  - (2) Age 65 or older – gross income of \$13,100 or more.
- e. Part-year resident or nonresident – gross income from Wisconsin sources of \$2,000 or more.

#### ■ When to File/Extension of Time to File

A return for a trust is due on or before April 17, 2012. A return for an estate is due on or before April 17, 2012, for a calendar year filer or 3 1/2 months after the close of the taxable year for a fiscal year filer.

If you cannot file on time, the following options are available for obtaining an extension:

1. If you have an extension for filing your federal return, this automatically gives you a Wisconsin extension provided you:
  - Estimate your 2011 Wisconsin tax and pay the amount you will owe with your return (line 32 of Form 2) by the due date using 2011 Wisconsin Form 1-ES, and
  - Enclose a copy of your federal extension application with your Form 2 when filed.
2. Extensions available under federal law may be used for Wisconsin purposes, even if you do not need a federal extension because you file your federal return by the due date. To obtain an extension only for Wisconsin, you must:
  - Estimate your 2011 Wisconsin tax and pay the amount you will owe by the due date (see item 1) and

- Enclose a statement with your Form 2 indicating which federal extension provision you are using or enclose a copy of a completed federal extension application form.

No extension is allowed if your estimate of tax is not reasonable.

**NOTE:** Even though you may have an extension of time to file your return, you will owe interest on any tax not paid by the original due date. Returns not filed by the extended due date are subject to additional interest and penalties. (**Exception** You will not be charged interest during an extension period if you qualify for a federal extension due to a federally-declared disaster. See Special Conditions below.)

**Special Conditions** A "Special Conditions" section is located on page 1 of Form 2. If you have an extension of time to file because of a federally-declared disaster, fill in "03" in the box and indicate the specific disaster on the line provided.

#### ■ Withholding Requirement for Trusts and Estates Having Nonresident Beneficiaries

In general, a trust or estate that has one or more nonresident beneficiaries is required to withhold income or franchise tax on the income allocable to the nonresident beneficiaries. This withholding tax may be required to be paid in quarterly installments. See Form PW-ES, *Wisconsin Pass-Through Entity Withholding Estimated Payment Voucher*, and instructions for details.

A nonresident beneficiary includes an individual who is not domiciled in Wisconsin; a partnership, limited liability company, or corporation whose commercial domicile is outside Wisconsin; and an estate or trust that is nonresident under sec. 71.14(1) to (3m), Wis. Stats. If the nonresident beneficiary is an individual, estate, or trust, the withholding rate is the highest rate for a single individual (7.75% for 2011). If the nonresident beneficiary is a partnership, limited liability company, or corporation, the withholding rate is 7.9%.

**Exceptions:** Withholding is not required on behalf of the following nonresident beneficiaries:

- A beneficiary that is exempt from Wisconsin income or franchise taxation. The trust or estate may rely on a written statement from a beneficiary explaining why the beneficiary is exempt from Wisconsin tax. The trust or estate must enclose a copy of this statement with the Form 2 filed with the department.
- A beneficiary whose share of income from the trust or estate attributable to Wisconsin is less than \$1,000.
- A beneficiary who completes Form PW-2, *Wisconsin Nonresident Partner, Member, Shareholder, or Beneficiary Withholding Exemption Affidavit*, and provides Part 2 of Form PW-2 to the trust or estate. The completed Form PW-2 must be pre-approved by the Department of Revenue. See the Form PW-2 instructions for details.

The trust or estate uses Form PW-1, *Wisconsin Nonresident Income or Franchise Tax Withholding on Pass-Through Entity Income*, to report the withholding. Form PW-1 is due by the 15th day of the 4th month following the close of the trust's or estate's taxable year. See the Form PW-1 instructions for details.

**CAUTION:** Nonresidents with a Wisconsin filing requirement must file the appropriate Wisconsin income or franchise tax return.

## ■ Requesting a Closing Certificate



A request for a closing certificate should not be attached to Form 2. See the instructions for Schedule CC on page 15.

## ■ Tax Help or Additional Forms

If you have questions or need additional forms, help is available at our Madison office (2135 Rimrock Road):

- Wisconsin Department of Revenue  
Mail Stop 5-144  
PO Box 8906  
Madison WI 53708-8906
- Telephone: (608) 266-2772
- Forms requests: (608) 266-1961
- Fax: (608) 267-0834
- E-mail: [estate@revenue.wi.gov](mailto:estate@revenue.wi.gov)

**Internet Address** You can access the department's web site at [www.revenue.wi.gov](http://www.revenue.wi.gov). From this web site, you can:

- Download forms, schedules, instructions, and publications.
- View answers to frequently asked questions.
- E-mail us comments or request help.

**TTY Equipment** Telephone help is available using TTY equipment. Call the Wisconsin Telecommunications Relay System at 711 or, if no answer, 1-800-947-3529. These numbers are to be used only when calling with TTY equipment.

## Seven Steps to Filing the Fiduciary Income Tax Return

### 1 Gather all records.

Make sure that all income and expense records are available, including interest and dividend statements, so the return can be prepared correctly.

### 2 Complete the federal return.

Before completing Wisconsin Form 2, complete the federal return, Form 1041 or 1041-QFT, and its supporting schedules, if required.

### 3 Complete the Wisconsin return (see tips on page 20).

### 4 Sign the return.

The return must be signed by the personal representative or special administrator of an estate or by the trustee of a trust.

### 5 Assemble the return.

Begin by putting the three pages of Form 2 in numerical order. Then attach, using a paper clip (do not staple), the following in the order listed:

- **Payment**—If you owe an amount with the return, paper clip your payment to the front of Form 2.
- **Wisconsin Schedules**—The appropriate copy of each of your withholding statements (Schedules 2K-1, 3K-1, and 5K-1 and Forms W-2 and 1099).
- **Federal Return**—A complete copy of your federal return (Form 1041 or 1041-QFT) and its supporting schedules and forms.
- **Supporting Documents**—For example, copies of property tax bills in support of a farmland preservation credit claim.
- **Extension Form or Statement**—A copy of your federal extension application or required statement if you are filing under an extension.

### 6 Keep a copy of the return.

### 7 Mail the return and enclosures to the appropriate address shown on the bottom of page 2 of Form 2.

**Information Publications Available** Following is a list of some of the department publications. These publications provide detailed information relating to specific areas of Wisconsin tax law. They are available at any department office.

#### Number and Title

- |     |   |
|-----|---|
| 102 | Wisconsin Tax Treatment of Tax-Option (S) Corporations and Their Shareholders |
| 103 | Reporting Capital Gains and Losses for Wisconsin                              |
| 111 | How to Get a Private Letter Ruling  |
| 114 | Wisconsin Taxpayer Bill of Rights   |
| 117 | Guide to Wisconsin Information Returns  |
| 120 | Net Operating Losses for Individuals, Estates, and Trusts                     |
| 125 | Credit for Tax Paid to Another State  |
| 503 | Wisconsin Farmland Preservation Credit  |
| 600 | Wisconsin Taxation of Lottery Winnings  |
| 601 | Wisconsin Taxation of Pari-Mutuel Wager Winnings                              |

## LINE INSTRUCTIONS

Use black ink to complete Form 2. If completing the form by hand, do not use commas or dollar signs when filling in amounts. For more tips, see page 20.

**Period Covered** File the 2011 return for calendar year 2011 and fiscal years that begin in 2011. For a fiscal year, a 52-53 week period, or a short-period return, fill in the taxable year beginning and ending dates in the taxable year space at the top of the form.

**Name and Identifying Number** Estates use the first line for the legal name and decedent's social security number or, if a bankruptcy estate, the federal employer identification number (EIN). Trusts use the second line for the legal name and the third line for the federal EIN.

**Exception:** Qualifying trusts making the election under IRC Section 645 to be treated as part of the decedent's estate use the first line for the legal name and social security number of the decedent.



**Address or Name Change** If the address or name of the estate or trust has changed, place a checkmark in the designated area below the name and address area of Form 2.

**Type of Estate or Trust** Check to indicate the type of estate or trust.

- **Electing small business trust (ESBT)**—a trust that has income from one or more S corporations. The portion of an ESBT that consists of stock of one or more S corporations is treated as a separate trust. If ESBT is checked, see the "Exceptions" in the instructions for lines 1 and 6a.
- **Qualified funeral trust (QFT)**—if a trust elects to be taxed as a QFT for federal income tax purposes, the election also applies for Wisconsin. If QFT is checked, see the "Exceptions" in the instructions for lines 1 and 6a.
- **Bankruptcy estate**—a separate and distinct taxable entity created when an individual debtor files for bankruptcy under Chapter 7 or 11 of Title 11 of the United States Code. If bankruptcy estate is checked, see the "Exceptions" in the instructions for lines 1 and 6a.
- **Inter vivos trust**—a trust created during a grantor's lifetime.
- **Testamentary trust**—a trust created by a decedent's will that comes into existence at the death of the decedent.

- Section 645 election – allows a qualified revocable trust to be treated and taxed as part of the related estate during the election period. If the election is made for federal income tax purposes, it also applies for Wisconsin. Enclose a copy of federal Form 8855 or letter making the election.
- Decedent's estate – a taxable entity separate from a decedent. It generally continues to exist until the final distribution of the assets is made to the beneficiaries. A fiduciary administers the decedent's assets and reports income earned during administration and income in respect of the decedent (IRD).



**Special Conditions** Certain estates and trusts have to enter information in the Special Conditions section. For information on when to use the Special Conditions section, see "Special Conditions" under "When to File/Extension of Time to File" on page 2 and "Expenses paid to related entities" on page 10. If both special conditions apply, fill in "99" in the Special Conditions box.

**Rounding Off to Whole Dollars** The form has preprinted zeros in the place used to enter cents. All amounts filled in the form should be rounded to the nearest dollar. To do so, drop amounts under 50¢ and increase amounts from 50¢ to 99¢ to the next whole dollar. For example, \$129.39 becomes \$129 and \$236.50 becomes \$237.

Round off all amounts. But if you have to add two or more amounts to figure the amount to fill in on a line, include cents when adding and only round off the total.

**Accounting Periods and Methods** Use the same accounting period and method of accounting that are used for federal income tax purposes. If the federal taxable year or method of accounting is changed, such change also applies for Wisconsin. Separate permission to effect such change for Wisconsin is not required. However, enclose a copy of the federal document authorizing the change with the Wisconsin fiduciary return.

**Definitions Applicable to Fiduciaries** Under Wisconsin income tax law, federal taxable income is used as a starting point in the computation of fiduciary income subject to the Wisconsin income tax. Therefore, most terms have the same meaning under Wisconsin law as in the Internal Revenue Code unless otherwise noted.

## INCOME

**Line 1. Federal Taxable Income of Fiduciary** Enter the amount of taxable income of the fiduciary as reported on federal Form 1041, line 22.

### Exceptions

- Qualified funeral trusts – Enter the amount from federal Form 1041-QFT, line 12.
- Electing small business trusts – If the ESBT consists entirely of stock in one or more S corporations, enter zero on line 1.
- Bankruptcy estates – Leave lines 1 through 5 blank. See instructions in the next column for line 6a, under "Exceptions."

**Line 2. Additions** Resident estates and trusts, enter the total of the nondistributable additions from Schedule A, column 2, line 6. See the Schedule A instructions on pages 7 through 11.

Nonresident estates and part-year and nonresident trusts, enter the amount from line 3 of Part II of Schedule NR.

## ESBT Worksheet – Electing Small Business Trust

1. Separate S corporation income (also enter on line 6b of Form 2) .....	1.	\$	_____
2. Tax rate .....	2.	x	.0775
3. Tax on S corporation income (multiply line 1 by line 2) .....	3.	_____	
4. Other trust income (from line 5, Form 2) .....	4.	_____	
5. Tax on line 4 from tax table .....	5.	_____	
6. Total tax (add lines 3 and 5). Enter on line 6a of Form 2 .....	6.	_____	

You must enclose with Form 2 a copy of the 5K-1 from the tax-option (S) corporation (or the K-1 from the federal S corporation if the S corporation was not required to file a Wisconsin return) that includes the name and EIN of the corporation.

**Line 4. Subtractions** Resident estates and trusts, enter the total of the nondistributable subtractions from Schedule A, column 2, line 12. Enter as a positive amount. See the Schedule A instructions on pages 9 and 10.

Nonresident estates and part-year and nonresident trusts, enter the amount from line 4 of Part II of Schedule NR.

## TAX COMPUTATION

**Line 6a. Gross Tax** Using the Wisconsin taxable income on line 5, enter the tax from the tax table on pages 16-19.


### Exceptions

- Qualified funeral trusts (QFTs) – If this is a composite return for a qualified funeral trust and each separate QFT has taxable income of \$10,180 or less, multiply the amount on line 5 by 4.6% (.046) and fill in the result on line 6a. If any of the separate QFTs has taxable income of more than \$10,180, compute the tax separately for each QFT and fill in the total of the tax computed separately for each QFT on line 6a.
- Electing small business trusts (ESBTs) – Special rules apply when computing tax for an ESBT. ESBTs must separate the income from S corporations treated as a separate trust from other trust income. The net income for that S portion is determined under federal law, as modified by the additions and subtractions listed in Schedule A of Form 2. The separate trust is taxed on its Wisconsin taxable income at the highest rate for fiduciaries (7.75%). The tax is computed on the worksheet above.
- Bankruptcy estates – Bankruptcy estates must compute tax on Form 1, using the married filing separate standard deduction and tax rates. Enter the amount from line 40 of Form 1 on line 6a, and complete the rest of Form 2 as appropriate. Enclose Form 1 and a complete copy of the federal return with Form 2.

**Line 7. Supplement to Federal Historic Rehabilitation Credit** A special tax credit may be available for the preservation or rehabilitation of certain historic structures located in Wisconsin and used for business purposes. The Wisconsin Historical Society administers the historic preservation program.

If you qualify for this credit, complete Part 1 of Wisconsin Schedule HR. Fill in the amount from Schedule HR on line 7. Enclose Schedule HR and the required certification with Form 2.

**Line 8. Certain Nonrefundable Credits** If you are claiming any of the credits listed below, you must complete Schedule CR. **Enclose Schedule CR, along with the appropriate schedule for the credit(s) you are claiming, with Form 2.** Fill in the amount from line 6 of Schedule CR on line 8.

- **Schedule PE – Postsecondary Education Credit** The postsecondary education credit is based on a percentage of the tuition paid by a business for an individual to participate in an education program of a qualified postsecondary institution. The credit may be claimed for the taxable year in which the individual graduates from a course of instruction. Complete Schedule PE.
- **Schedule WC – Water Consumption Credit** The water consumption credit is available to an industrial customer of a municipal water utility that is located in a federal renewal community zone in Wisconsin, and whose average annual water consumption from that utility for a 24-month period exceeds 1,000,000 Ccf. Complete Schedule WC.
- **Health Insurance Risk-Sharing Plan Assessments Credit** This credit may be claimed by a partner, member, or shareholder of a partnership, limited liability company, or tax-option corporation that is an insurer. The credit may also be passed through from another estate or trust.
- **Film Production Company Investment Credit Carryforward – Nonrefundable Portion** See Part IV of Schedule FP.
-  • **Schedule CM – Community Rehabilitation Program Credit** The community rehabilitation program credit is available to estates or trusts who enter into a contract with a community rehabilitation program to have the program perform work for the entity. The credit is first available for taxable years beginning on or after August 1, 2011. Complete Schedule CM.

**Line 11. Alternative Minimum Tax** Estates and trusts may be subject to the Wisconsin alternative minimum tax if the total of federal alternative minimum taxable income and certain Wisconsin adjustments is greater than \$22,500.

**CAUTION:** An estate or trust may be subject to the Wisconsin alternative minimum tax even though it is not subject to the federal alternative minimum tax.

Enter on line 11 of Form 2 the alternative minimum tax from line 20 of Wisconsin Schedule MT.

**Line 13. Other Credits From Schedule CR** If you are claiming any of the credits listed below, you must complete Schedule CR. **Enclose Schedule CR, along with the appropriate schedule for the credit(s) you are claiming and any required Department of Commerce (DOC) or Wisconsin Economic Development Corporation (WEDC) approval or certification, with Form 2.** Fill in the amount from line 19 of Schedule CR on line 13.

- **Film Production Services Credit Carryforward – Nonrefundable Portion** See Part III of Schedule FP.
- **Schedule MS – Manufacturer's Sales Tax Credit** If the estate or trust had \$25,000 or less of unused manufacturer's sales tax credit from 1998 through 2005 and could not use the entire credit on its 2006 through 2010 returns, complete Schedule MS to determine the amount of carryover credit that may be claimed for 2011.

- **Schedule MI – Manufacturing Investment Credit** Estates and trusts certified by the Department of Commerce who had more than \$25,000 of unused manufacturer's sales tax credit carryover on January 1, 2006, may be able to claim the manufacturing investment credit. Complete Schedule MI.
- **Schedule DI – Dairy and Livestock Farm Investment Credit** The dairy and livestock farm investment credit is based on the amount paid for dairy or livestock farm modernization or expansion related to the operation of a dairy or livestock farm in Wisconsin. See Schedule DI.
- **Schedule EB – Ethanol and Biodiesel Fuel Pump Credit** A credit is available for a portion of the amount paid to install or retrofit pumps that dispense certain motor vehicle fuel. The motor vehicle fuel must consist of at least 85 percent ethanol or at least 20 percent biodiesel fuel. Complete Schedule EB.
- **Schedule DC – Development Zones Credit** Special tax credits may be available to estates or trusts doing business in Wisconsin development zones. If you qualify for the credit, complete Wisconsin Schedule DC.
- **Schedule TC – Technology Zone Credit** The technology zone credit may be available for estates or trusts doing business in Wisconsin technology zones. If you qualify for the credit, complete Wisconsin Schedule TC.
- **Schedule ED – Economic Development Tax Credit** The economic development tax credit may be claimed by estates or trusts certified by the DOC or WEDC and authorized to claim the credit. See Schedule ED.
- **Schedule VC (Part II) – Early Stage Seed Investment Credit** The early stage seed investment credit is based on an investment paid to a fund manager certified by the DOC or WEDC that the fund manager invests in a certified business. Complete Schedule VC.
- **Schedule IE – Internet Equipment Credit** A credit is available based on the purchase of Internet equipment used in the broadband market. The amount of credit must be certified by the Department of Commerce (DOC). Complete Schedule IE, and enclose a copy of the DOC certification.
- **Schedule JT – Jobs Tax Credit** A credit is available based on wages paid to an eligible employee and costs incurred to undertake training activities. The credit is available to taxpayers who are certified by the DOC or WEDC. Credits are awarded by the DOC or WEDC. Complete Schedule JT.

**Line 14. Net Tax Paid to Another State** A resident estate or trust that has paid tax both to Wisconsin and another state on the same income may be able to claim a credit for such tax. Read the Schedule OS instructions to determine if you may claim the credit. If you qualify for the credit, complete Schedule OS. Fill in the amount of your credit from Schedule OS on line 14. Be sure to enter in the brackets on line 14 the 2-letter postal abbreviation for the other state to which you paid tax. If you paid tax to more than one other state, fill in the number 99 in the box. See Schedule OS for other situations where additional code numbers may be required. Enclose Schedule OS and copies of the other state's return.

**Line 18. Economic Development Surcharge** The economic development surcharge applies to estates and trusts that have

trade or business activities in Wisconsin and have \$4,000,000 or more of gross receipts from trade or business activities for federal income tax purposes.

If the estate or trust is subject to the economic development surcharge, complete Wisconsin Schedule EDS. Fill in the amount from line 2 or 3 of Schedule EDS on line 18 of Form 2. Enclose Schedule EDS with Form 2.

**Line 19. Recapture of Investment Credit** If there is a recapture of investment credit, enter the recapture amount on line 19 and enclose Schedule DC.

**Line 21. Wisconsin Income Tax Withheld** Enter the estate's or trust's share of Wisconsin tax withheld by a pass-through entity, as reported on the Schedule 2K-1, 3K-1, or 5K-1 received from the pass-through entity. Enclose a copy of this Schedule 2K-1, 3K-1, or 5K-1 with the Form 2 that is filed with the department. Include on line 21 only the share of withholding that is attributable to income the trust or estate has reported on Form 2. The share of withholding attributable to income passed through by the trust or estate to its beneficiaries is reported on line 15y of Schedule 2K-1.

Also enter on line 21 Wisconsin tax withheld on salary, wages, or retirement benefits received by the personal representative or petitioner on income in respect of the decedent. Enclose a copy of the wage statement (Form W-2) or retirement benefit statement (Form 1099-R) with the Form 2 that is filed with the department.

**Line 22. 2011 Wisconsin Estimated Payments and Amount Applied From 2010 Return** Enter the total of (1) any overpayment of 2010 income tax that the estate or trust was allowed as a credit on its 2011 Wisconsin estimated tax, (2) any Wisconsin estimated tax payments made by the estate or trust for 2011, and (3) advance payments or any payments filed with an extension.

**Line 23. Farmland Preservation Credit** A credit may be claimed by certain trusts and estates based on Wisconsin farmland which is subject to agricultural use restrictions in the form of a zoning ordinance or a farmland preservation agreement. Fill in on line 23a of Form 2 the amount from line 18 of Schedule FC. Fill in on line 23b of Form 2 the amount from line 13 of Schedule FC-A.

For more information about farmland preservation credit, contact our Farmland Preservation Unit in Madison at (608) 266-2442 or any Department of Revenue office. Schedules FC and FC-A are available at any Department of Revenue office.

**Line 24. Other Credits From Schedule CR** If you are claiming any of the credits listed below, you must complete Schedule CR. Enclose Schedule CR, along with the appropriate schedule for the credit(s) you are claiming and any required approval or certification from the Department of Commerce (DOC), Department of Agriculture, Trade and Consumer Protection (DATCP), Department of Tourism (DOT), or the Wisconsin Economic Development Corporation (WEDC), with Form 2. Fill in the amount from line 29 of Schedule CR on line 24.

- **Schedule EC – Enterprise Zone Jobs Credit** The enterprise zone jobs credit is available to estates and trusts doing business in an enterprise zone. The DOC or WEDC must certify the business as eligible for the credit and determine the amount of credit. See Schedule EC.

- **Schedule DM – Dairy Manufacturing Facility Investment Credit** The dairy manufacturing facility investment credit is available for dairy manufacturing modernization or expansion. The DOC or DATCP must certify eligible taxpayers and allocate the amount of credit. See Schedule DM.

- **Schedule DM – Dairy Cooperatives Credit** The dairy manufacturing facility investment credit can be computed by dairy cooperatives. The cooperative computes the credit and allocates the credit to its patrons. See Schedule DM.

- **Schedule MP – Meat Processing Facility Investment Credit** The meat processing facility investment credit is available for meat processing modernization and expansion. The DOC or DATCP must certify eligible taxpayers and allocate the amount of credit. See Schedule MP.

- **Schedule FP – Film Production Company Investment Credit** The film production company investment credit is available for expenses that relate to establishing or operating a film production company in Wisconsin. The DOC or DOT must certify the expenses. See Schedule FP.

- **Schedule FP – Film Production Services Credit** Credits are available for a film production company. The application for the credit must be approved by the DOC or DOT. See Schedule FP.

- **Schedule WB – Woody Biomass Harvesting and Processing Credit** The woody biomass harvesting and processing credit is available based on the amount paid in the year for equipment that is used primarily to harvest or process woody biomass that is used as fuel or as a component of fuel. The DOC or DATCP must certify the taxpayer and allocate the amount of the credit to the taxpayer. Complete Schedule WB.

- **Schedule FW – Food Processing Plant and Food Warehouse Investment Credit** The food processing plant and food warehouse investment credit is based on the amount paid in the year for food processing or food warehousing modernization or expansion. The DOC or DATCP must certify the taxpayer and allocate the amount of the credit to the taxpayer. Complete Schedule FW.

**New**

- **Schedule FL – Farm Asset Owner Credit** The farm asset owner credit is available to an established farmer who leases agricultural assets to a beginning farmer. Both the beginning farmer and the established farmer must submit a certificate of eligibility from DATCP. Complete Schedule FL.

**Line 25. Amount Paid With Original Return (Amended Return Only)** Enter the amount of tax paid with the original Form 2 plus any additional amount of tax paid after it was filed.

**Line 27. Refund From Original Return Less Amount Applied to 2012 Estimated Tax (Amended Return Only)** Enter the refund from the original Form 2 plus any additional refunds received after it was filed less the amount applied to 2012 estimated tax.

**Line 29. Amount Overpaid** If line 28 is larger than line 20, complete line 29 to determine the amount overpaid.

**NOTE:** If estimated tax payments were required to be made and were not made in a timely manner, see Schedule U to determine if underpayment interest is owed. See page 3 for information on how to obtain this schedule. If underpayment interest is owed and an overpayment is shown on line 29, reduce the amount on line 29 by the amount of underpayment interest on line 33.



**Line 30. Refund** Fill in on line 30 the amount from line 29 that you want refunded to you.

**Line 31. Amount Applied to 2012 Estimated Tax** Fill in on line 31 the amount, if any, of the overpayment on line 29 you want applied to your 2012 estimated tax.

**Line 32. Balance Due** If line 28 is less than line 20, complete line 32 to determine the balance due. The balance due must be paid in full with the return. Make remittance payable to the Wisconsin Department of Revenue.

**NOTE:** If estimated payments were required to be made and were not made in a timely manner, see Schedule U to determine if underpayment interest is owed. See page 3 for information on how to obtain this schedule. If underpayment interest is owed, increase the amount on line 32 by the amount of underpayment interest on line 33.

**Line 33. Underpayment Interest** If estimated payments were required to be made and were not made in a timely manner, see Schedule U to determine if underpayment interest is owed. See page 3 for information on how to obtain this schedule. If underpayment interest is owed, fill in the amount from Schedule U on line 33. Add the amount of the underpayment interest to any tax due and fill in the total on line 32. If you are due a refund, subtract the underpayment interest from the overpayment shown on line 29 and adjust lines 30 and 31 if necessary. Enclose Schedule U with your Wisconsin Form 2.



Fill in the exception code in the box to the left of line 33 if certain exceptions to underpayment interest apply to you, you are enclosing an application for a waiver of underpayment interest, or are using the annualized income installment method (Part IV of Schedule U) to compute underpayment interest. See the instructions for Schedule U for the exception code to use.

## SPECIAL INSTRUCTIONS

### A. Penalties and Interest

Any 2011 Form 2 which is not filed by the due date or within the extension period is subject to a late filing fee of \$50. The late fee is assessed even if there is no tax due. The interest rate on delinquent taxes is 18% per year.

### B. Internal Revenue Service Adjustments and Amended Returns

If a federal fiduciary return is adjusted by the Internal Revenue Service (IRS) and the adjustments affect the amount of Wisconsin income reportable, any credit, or tax payable on Form 2, report the adjustments to the department within 90 days from the date the adjustments become final. If an amended fiduciary return is filed with the IRS or another state and the changes affect the amount of income reportable, any credit, or tax payable on Form 2, file an amended Wisconsin fiduciary return reflecting these changes. The amended Wisconsin return is due within 90 days from the date the amended return is filed with the IRS or another state.

If you are filing an amended return, place a checkmark in the designated area below the name and address area of Form 2. Prepare the return using the corrected amounts. Complete line 25 or 27 as appropriate. Enclose a copy of any IRS audit report or federal amended return. You should also explain why the amended return

was necessary and what changes were made. If you have already received a Closing Certificate for Fiduciaries, you do not need to request another one unless the court requires it.

### C. Estimated Tax Payments Required for Next Year?

If the 2012 Wisconsin income tax return of an estate or trust will show a balance due to the department of \$200 or more, you must use Wisconsin Form 1-ES (Form 4-ES for trusts subject to tax on unrelated business income) to prepay the 2012 tax in installments beginning April 17, 2012, for calendar year fiduciaries or 3 1/2 months after the close of a fiscal year (March 15, 2012, or 2 1/2 months after the close of a fiscal year for trusts using Form 4-ES).

**EXCEPTION:** Estates and grantor trusts which are funded on account of a decedent's death are exempt from making estimated tax payments for tax years ending within two years after the date of death.

### D. Requesting Copies of Returns

The Department of Revenue will provide copies of prior year returns. There will be a fee for each return requested, which is required to be prepaid. Requests must be made in person or in writing. You must provide a copy of the domiciliary letters or letters of trust and the trust instrument. If you want certified copies, there is an additional charge for each certification. Call (608) 266-2890 for more information.

## SCHEDULE A INSTRUCTIONS – ADDITIONS AND SUBTRACTIONS

**NOTE:** Nonresident estates and part-year and nonresident trusts may not use Schedule A. They must instead use the additions and subtractions described in these instructions to complete Part I of Schedule NR.

Certain additions and subtractions must be made to federal taxable income in order to arrive at Wisconsin taxable income. Additions and subtractions are described in detail below.

Enter in column 1, Distributable Income, the additions or subtractions that relate to items of income or deductions which affect the computation of the distributable net income for the taxable year. Enter in column 2, Nondistributable Income, any of the additions or subtractions that affect nondistributable income taxable to the fiduciary.

### ADDITIONS

**Line 1. Adjustments to Convert 2011 Federal Taxable Income to the Amount Allowable for Wisconsin** (see instructions for Schedule B on page 11).

**Line 2. Interest (Less Related Expenses) on State and Municipal Obligations** Enter in the appropriate column the amount of interest on state and municipal obligations which was excluded from federal taxable income. (If you were required for federal purposes to allocate expenses to this income, reduce the amount to be filled in by such expenses.) **EXCEPTION:** Interest which is by federal or Wisconsin law exempt from Wisconsin taxation should not be entered on line 2. Interest income which is exempt for both federal and Wisconsin tax purposes includes interest from (1) public housing authority or community development authority bonds issued by municipalities located in Wisconsin, (2) Wisconsin Housing Finance Authority

bonds, (3) Wisconsin municipal redevelopment authority bonds, (4) Wisconsin higher education bonds, (5) Wisconsin Housing and Economic Development Authority bonds issued on or after December 11, 2003, to fund multifamily affordable housing projects or elderly housing projects, (6) Wisconsin Housing and Economic Development Authority bonds issued before January 29, 1987, except business development revenue bonds, economic development revenue bonds, and CHAP housing revenue bonds, (7) public housing agency bonds issued before January 29, 1987, by agencies located outside Wisconsin where the interest therefrom qualifies for exemption from federal taxation for a reason other than or in addition to section 103 of the Internal Revenue Code, (8) local exposition district bonds, (9) Wisconsin professional baseball park district bonds, (10) bonds issued by the Government of Puerto Rico, Guam, the Virgin Islands, Northern Mariana Islands, or, for bonds issued after October 16, 2004, the Government of American Samoa, (11) local cultural arts district bonds, (12) Wisconsin professional football stadium bonds, (13) Wisconsin Aerospace Authority bonds. Interest from these sources is exempt from Wisconsin income tax whether received by a direct owner of these securities or by a shareholder in a mutual fund which invests in these securities, (14) bonds issued on or after October 27, 2007, by the Wisconsin Health and Education Facilities Authority to fund acquisition of information technology hardware or software, (15) certain conduit revenue bonds issued by a commission created under sec. 66.0304, Wis. Stats. **Note** At the time these instructions went to print, there were no conduit revenue bonds issued where the interest income is exempt from Wisconsin tax. A listing of the conduit revenue bonds issued and the tax-exempt status is available on the department's web site at [www.revenue.wi.gov](http://www.revenue.wi.gov), and (16) Wisconsin Housing and Economic Development Authority bonds or notes if the bonds or notes are issued to provide loans to a public affairs network under sec. 234.75, Wis. Stats.

If a charitable deduction is claimed, reduce the amount of interest added back by the amount of the municipal interest which is used or set aside for charitable purposes.

**Line 3. Taxes** Enter the amount of taxes deducted from federal taxable income on line 11, Form 1041. This amount must be allocated between distributable and nondistributable income based on tax benefit.

**Line 4. Capital Gain/Loss Adjustment** If federal taxable income includes capital gains and/or losses (see line 4, Form 1041), complete Wisconsin Schedule WD (Form 2) to determine if an adjustment must be made to arrive at Wisconsin income. For example, an adjustment may be required because Wisconsin law limits deductions for net capital losses to \$500. You can obtain Schedule WD (Form 2) from any Department of Revenue office. If assets sold during 2011 had a different basis for federal than for Wisconsin purposes, see instructions for Schedule C on page 11 and item b under Additions To or Subtractions From Income on page 10.

**Line 5. Other Additions** Enter any other amount subject to Wisconsin taxation that has been excluded or deducted in the computation of federal taxable income or distributable net income. Enclose a schedule with a computation or explanation. Examples are:

- a. **Federal net operating loss carryover.**
- b. **Lump-sum distribution.** If you reported lump-sum distribution income on federal Form 4972, you must also include the distribution in Wisconsin income. Fill in on Schedule A, line 5

the amount of lump-sum distribution income which is reported on line 10 of Form 4972 plus any capital gain reported on line 6 of Form 4972. You may reduce this amount by any federal estate tax on line 18 of Form 4972.

**NOTE:** No portion of a lump-sum distribution may be reported as a capital gain on a Wisconsin Schedule WD (Form 2).

- c. **Transitional adjustments.** These are adjustments required by the Wisconsin Statutes to account for differences between federal basis and Wisconsin basis of changing basis assets (those subject to depreciation or amortization). Enclose a schedule showing the computation of each transitional adjustment made.
- d. **Farm losses.** An addition may be required if farm losses were deducted on the federal tax return and the estate or trust was not actively engaged in the farming operation that produced those losses.

**TRUSTS:** A trust shall be considered to be actively engaged in farming with respect to a farming operation if:

- 1. The entity separately makes a significant contribution to the farming operation of capital, equipment, or land, or a combination of capital, equipment, or land; and
- 2. The income beneficiaries collectively make a significant contribution of active personal labor or active personal management to the farming operation. The combined interest of all the income beneficiaries providing active personal labor or active personal management, or a combination of active personal labor and active personal management must be at least 50 percent; and
- 3. The trust has provided a tax identification number unless the trust is a revocable trust and the grantor is the sole beneficiary; and
- 4. The trust has provided a copy of the trust agreement to the county committee unless the trust is a revocable trust.

**ESTATES:** For two program years after the program year in which an individual dies, the individual's estate shall be considered to be actively engaged in farming if:

- 1. The estate makes a significant contribution of either (a) capital, equipment, or land; or (b) a combination of capital, equipment, or land; and
- 2. The personal representative or heirs of the estate collectively make a significant contribution of either: (a) active personal labor or active personal management; or (b) a combination of active personal labor and active personal management.

After the two years, the deceased individual's estate shall not be considered to be actively engaged in farming unless, on a case by case basis, it is determined that the estate has not been settled primarily for the purpose of obtaining program payments.

Your combined net losses from farming operations in which you are not actively engaged are limited if your nonfarm Wisconsin adjusted gross income is more than \$55,000.

To figure your combined net losses from farming operations, add together any losses you have from farming operations in which you were not actively engaged (for example, these could be losses from a farm partnership or tax-option (S) corpora-

tion). Do not reduce these losses by any net farm gains. If the total of these losses is more than the maximum allowable loss shown in the table below, include the excess on line 5, Schedule A.

**Example** For 2011, a trust reports a loss of \$25,000 on Schedule E from a farm partnership (the trust is not actively engaged in this farming operation), and a profit of \$5,000 from the rental of farmland. The trust's nonfarm Wisconsin adjusted gross income is \$60,000. Therefore, only \$20,000 of the \$25,000 farm loss may be deducted for 2011. The trust must fill in \$5,000 on line 5 of Schedule A.

Farm Loss Limits		
Nonfarm Wisconsin Adjusted Gross Income		
More Than	But Not More Than	Maximum Allowable Loss
\$ 0	\$ 55,000	Full Amount
55,000	75,000	\$20,000
75,000	100,000	17,500
100,000	150,000	15,000
150,000	200,000	12,500
200,000	250,000	10,000
250,000	300,000	7,500
300,000	600,000	5,000
600,000		No Loss

- e. **Excess distribution from a passive foreign investment company.** Fill in the amount of excess distribution from a passive foreign investment company which has not been included in federal taxable income (see federal Form 8621 or 8621-A).
- f. **Addition for computed credits.** If you claimed any of the credits listed below, you must include on line 5 the amount of your credit computed for 2011. The amount of your credit is income and must be reported on Form 2. This is true even if you cannot take the full credit this year and must carry part of it forward or if the credit is refundable. (**NOTE:** Do not include on line 5 any credit passed through to you from a partnership, limited liability company, or tax-option (S) corporation. This will be accounted for when you make the adjustments described in paragraph a under "ADDITIONS TO OR SUBTRACTIONS FROM INCOME" on page 10.)

List each credit separately on line 5. Include the following credits computed for 2011:

Development Zone Credit  
Technology Zone Credit  
Enterprise Zone Jobs Credit  
Dairy and Livestock Farm Investment Credit  
Dairy Manufacturing Facility Investment Credit  
Internet Equipment Credit  
Film Production Company Investment Credit  
Film Production Services Credit  
Manufacturing Investment Credit  
Ethanol and Biodiesel Fuel Pump Credit  
Economic Development Tax Credit  
Meat Processing Facility Investment Credit  
Dairy Cooperative Credit  
Jobs Tax Credit  
Woody Biomass Harvesting and Processing Credit  
Food Processing Plant and Food Warehouse Investment Credit

Postsecondary Education Credit  
Water Consumption Credit  
Farm Asset Owner Credit  
Community Rehabilitation Program Credit

- g. **Expenses paid to related entities.** Fill in the amount deducted or excluded from federal taxable income for interest, rental expenses, intangible expenses, and management fees paid, accrued, or incurred to a related entity (person or business entity). *You must make this addition even though you may be eligible for a deduction for these expenses.* If you are eligible for a deduction, you may then make a subtraction for the amount that qualifies (see Item g. on page 10).

## SUBTRACTIONS

**Line 7. Adjustments to Convert 2011 Federal Taxable Income to the Amount Allowable for Wisconsin** (see instructions for Schedule B on page 11).

**Line 8. Interest (Less Related Expenses) on Obligations of the United States** Enter in the appropriate column the net amount of interest and dividends on obligations and certain securities of the United States, which are by federal law exempt from taxation by states. To arrive at the net amount, you must reduce the total U.S. interest by the proportionate share of deductions claimed on Form 1041.

An ordinary dividend received from a mutual fund which invests in U.S. government securities may be partially or completely nontaxable for Wisconsin tax purposes. If information received from a mutual fund advises that any portion of a distribution is from investments in U.S. government securities, that portion of the distribution may be included as U.S. government interest on line 8.

**CAUTION:** Do not fill in on line 8 interest from Ginnie Mae (Government National Mortgage Association) securities and other similar securities which are "guaranteed" by the U.S. government.

If a charitable deduction is claimed, reduce the amount of U.S. interest subtracted by the amount of U.S. interest included in the charitable deduction on federal Form 1041.

**Line 9. Capital Gain/Loss Adjustment** If federal taxable income includes capital gains and/or losses (see line 4, Form 1041), complete Wisconsin Schedule WD (Form 2) to determine if an adjustment must be made to arrive at Wisconsin taxable income. For example, an adjustment may be required because Wisconsin law allows a capital gain exclusion for assets held more than one year. You can obtain Schedule WD (Form 2) from any Department of Revenue office.



**Line 10. Refunds of State and Local Taxes** Enter refunds of state and local income taxes included in line 8 of federal Form 1041.

**Line 11. Other Subtractions** Enter on this line any amount which is deductible or exempt from taxation by Wisconsin law and which has been included in the computation of federal taxable income. Examples are:

- a. **Retirement funds.** You may subtract payments received from certain retirement funds that are exempt from Wisconsin taxation to the extent included in federal income. However, payments received from a tax-sheltered annuity deposit in such retirement systems are taxable. (See Wisconsin Form 1 instructions for further details.)

- b. **Wisconsin NOL.** If you had a Wisconsin net operating loss (NOL) in an earlier year to carry forward to 2011, include the allowable amount on Schedule A. Enclose a statement showing how you figured the amount. Get Publication 120, *Net Operating Losses for Individuals, Estates, and Trusts*, from any Department of Revenue office for more details on computing an NOL and the allowable deduction.
- c. **Relocation assistance.** Relocation assistance payments received subject to the provisions set forth in section 32.19, Wisconsin Statutes.
- d. **Transitional adjustments.** See instruction (c) for line 5, Schedule A. Enclose schedule.
- e. **Farm loss carryover.** See Wisconsin Form 1 instructions for further details.
- f. **Certain military pay.** Military pay that is included on a W-2 for a member of the Reserves or National Guard who served on active duty may be subtracted if the pay was:
  - Received from the federal government,
  - Received after being called into active federal service or into special state service authorized by the federal Department of Defense, and
  - Paid for a period of time during which the member was on active duty.

**CAUTION:** The subtraction only applies to members of the Reserves or National Guard who are called into active federal service under 10 USC 12302(a) or 10 USC 12304 or special state service under 32 USC 502(f). It does not apply to pay that members of the Reserves and National Guard receive for their weekend or two-week annual training. It also does not apply to a person who is serving on active duty or full-time duty in the active guard reserve (AGR) program.

- g. **Expenses paid to related entities.** Were you required to add interest, rental expenses, intangible expenses, or management fees paid to a related entity to income? If yes, see Schedule RT to find out if you qualify for a subtraction. Although you must meet one of the conditions in Schedule RT, Part II to qualify for a subtraction, you do not need to enclose Schedule RT with your return unless your total expenses paid, accrued, or incurred to related entities are \$100,000 or more. If enclosing Schedule RT, also fill in "16" in the Special Conditions box on page 1 of Form 2.
- h. **ATV corridors.** To the extent included in federal taxable income, private landowners may subtract any Wisconsin incentive payments received for permitting public all-terrain vehicle corridors on their lands.
  -  i. **Relocated business.** A subtraction may be claimed for the income of a business that relocated to Wisconsin from another state or country in 2011. See Schedule RB for further information. If claiming the subtraction, enclose a completed Schedule RB with Form 2.
  -  j. **Job creation.** A subtraction is available based on the increase in the number of full-time employees in Wisconsin by a business. See Schedule JC for further information. If claiming the subtraction, enclose a completed Schedule JC with Form 2.

## ADDITIONS TO OR SUBTRACTIONS FROM INCOME

The following items may be either an addition to or a subtraction from federal taxable income, depending on your situation. Fill in any additions on line 5 and any subtractions on line 11, Schedule A.

- a. Distributive share of net modifications of a partnership, limited liability company, or tax-option (S) corporation if it increases or reduces the income of the partnership limited liability company, or corporation. If the estate or trust is a shareholder of a federal S corporation that elects not to be treated as a Wisconsin tax-option (S) corporation, all items of S corporation income, loss, or deduction included on the federal return must be reversed.

**CAUTION:** Do not reverse any item of S corporation income or loss reported on federal Schedule D. These items are removed from Wisconsin income when Wisconsin Schedule WD (Form 2) is completed.

- b. Adjustment for ordinary gain or loss for assets reported on federal Form 4797. If you reported sales (or other dispositions) of assets on federal Form 4797 and there was a difference between the federal basis and the Wisconsin basis, follow the three steps below to figure the adjustment.

**STEP 1:** Recompute federal Form 4797, *Sales of Business Property*.

- For assets the estate or trust sold or otherwise disposed of, use the Wisconsin basis instead of the federal basis when recomputing Form 4797.
- For those assets disposed of by a partnership, limited liability company, tax-option (S) corporation, or other estate or trust, from which the estate or trust received a distribution, use the Wisconsin gain or loss instead of the federal gain or loss when recomputing Form 4797.

**NOTE:** The Wisconsin gain or loss can be found on line 10a of Wisconsin Schedule 3K-1 or line 9a of Wisconsin Schedule 5K-1.

Label this recomputed Form 4797 "Wisconsin." Enclose the "Wisconsin" Form 4797 with Form 2.

**STEP 2:** If a gain was entered on line 7 or 9 of "Wisconsin" Form 4797, the amounts from the "Wisconsin" Form 4797 must be used to complete line 9 of Wisconsin Schedule WD (Form 2).

**STEP 3:** Complete the Adjustment Worksheet at the top of page 11 if Part II was completed on either the federal or "Wisconsin" Form 4797.

- If you have an ordinary gain for both federal and Wisconsin purposes, fill in lines a and b of the worksheet. Also fill in line c or line d, whichever applies.
- If you have an ordinary loss for both federal and Wisconsin purposes, fill in lines e and f of the worksheet. Also fill in line g or h, whichever applies.
- If you have an ordinary gain for federal purposes and line 17 on the "Wisconsin" Form 4797 is blank or a loss, fill in lines a, b, e, and f of the worksheet. Also fill in line d and line g. Add the amounts on lines d and g and fill in the result on line 11 of Schedule A, page 3, Form 2.
- If you have an ordinary loss for federal purposes and line 17 on the "Wisconsin" Form 4797 is blank or a gain, fill in lines a, b, e, and f of the worksheet. Also fill in line c and line h. Add the amounts on lines c and h and fill in the result on line 5 of Schedule A, page 3, Form 2.

## Adjustment Worksheet

	Distributable	Non-distributable
a Fill in ordinary gain from line 17 of federal Form 4797 (if blank, fill in zero (0)) . . . . .		
b Fill in ordinary gain from line 17 of "Wisconsin" Form 4797 (if blank, fill in zero (0)) . . . .		
c If line b is more than line a, subtract line a from line b. Fill in the result here and on line 5 of Schedule A, page 3, Form 2 . . . . .		
d If line b is less than line a, subtract line b from line a. Fill in the result here and on line 11 of Schedule A, page 3, Form 2 . . . . .		
e Fill in ordinary loss from line 17 of federal Form 4797 (if blank, fill in zero (0)) . . . . .		
f Fill in ordinary loss from line 17 of "Wisconsin" Form 4797 (if blank, fill in zero (0)) . . . .		
g If line f is more than line e, subtract line e from line f. Fill in the result here and on line 11 of Schedule A, page 3, Form 2 . . . . .		
h If line f is less than line e, subtract line f from line e. Fill in the result here and on line 5 of Schedule A, page 3, Form 2 . . . . .		

### SCHEDULE B INSTRUCTIONS

**IMPORTANT:** The computation of taxable income on the 2011 Wisconsin fiduciary income tax return is based on the provisions of federal law amended to December 31, 2010, with certain exceptions. Federal laws enacted after December 31, 2010, do not apply for Wisconsin income tax purposes.

A comprehensive list of the provisions of federal law that may not be used for Wisconsin purposes for 2011 can be found in the instructions for Wisconsin Schedule I. The following is a list of the items that may affect the largest number of trusts and estates:

- Bonus depreciation.
- Increase in sec. 179 expensing.
- Exclusion for 50% of the gain from the sale or exchange of qualified small business stock.

If any provision of federal law which does not apply for Wisconsin purposes affects your federal taxable income, enclose a schedule with your Form 2. State the nature of the adjustment and a complete explanation. Enter the total amount on line 1 of Schedule B.

### SCHEDULE C INSTRUCTIONS – ADJUSTMENTS TO CAPITAL GAINS / LOSSES

Complete Schedule C to adjust capital gains and losses if capital assets sold or otherwise disposed of in 2011 had a different basis for Wisconsin than for federal income tax purposes. The most common reason for a difference in basis is the use of the alternate value for federal estate tax purposes while date of death value is required to be used for Wisconsin inheritance tax purposes for deaths prior to January 1, 1992. For deaths after December 31, 1991, if the alternate value is used for federal estate tax purposes, the alternate value would also be used for Wisconsin estate tax purposes.

To figure the adjustment, first determine the holding period for each capital asset which had a different basis for federal and Wisconsin purposes. Property acquired by a decedent's estate from the decedent is considered to be held more than one year. (Do not list assets reported on federal Form 4797, such as depreciable property used in a trade or business, on Schedule C. Resident estates and trusts, see "Adjustment for ordinary gain or loss for assets reported on federal Form 4797," item b under Additions To or Subtractions From Income on page 10 of these instructions. Part-year and nonresident estates and trusts, see the instructions for line 7, Part I of Schedule NR.)

For capital assets held one year or less, fill in line 1. If the Wisconsin adjusted basis is more than the federal adjusted basis, fill in a negative number in the difference column (column C). Combine the amounts in column C and fill in the result on line 2 of Schedule C and on line 4 of Wisconsin Schedule WD (Form 2). Enter a negative number as a loss.

For capital assets held more than one year, fill in line 3. If the Wisconsin adjusted basis is more than the federal adjusted basis, fill in a negative number in the difference column (column C). Combine the amounts in column C and fill in the result on line 4 of Schedule C and on line 12 of Wisconsin Schedule WD (Form 2). Enter a negative number as a loss.

**NOTE:** If there is inadequate space on lines 1 and 3 to list each capital asset which had a different basis for Wisconsin than for federal tax purposes, enclose a separate page with Form 2 giving the required information.

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## INSTRUCTIONS FOR 2011 WISCONSIN SCHEDULE WD (FORM 2)

Schedule WD (Form 2) is used to determine the amount of capital gain or loss which you must include in Wisconsin income. Generally, all amounts reported on your federal Schedule D must be reported on Schedule WD. However, for Wisconsin tax purposes, you may exclude a portion of the net capital gain from assets held more than one year or acquired from a decedent.

The amount of net capital loss that can be applied against other income after offsetting capital gains is limited to \$500.

Unused capital losses are carried over to later years until fully used.

**Distributable or nondistributable capital gains:** Capital losses are not distributable except on the final return. Capital gains are reportable by the estate or trust on Schedule WD and not distributable to the beneficiaries on Schedule 2K-1 unless either:

1. the will or trust instrument specifically requires that capital gains are distributed to the beneficiaries, or
2. it is the final return of the estate or trust.

Enclose Schedule WD with your Wisconsin Form 2.

### ■ Part I and Part II, Capital Gains and Losses

If you are not affected by any of the items listed below under "Items Which Require Adjustment," fill in the net short-term gain or (loss) from line 5 of your federal Schedule D on line 7a of Schedule WD. Fill in the net long-term gain or (loss) from line 12 of your federal Schedule D on line 15a of Schedule WD. Complete lines 7b, 7c, 15b, and 15c. Write "Same as federal" in the space by line 1 of Schedule WD, and go on to Part III on page 2 of Schedule WD.

If you are affected by any of the items listed below under "Items Which Require Adjustment," fill in each separate amount from lines 1 through 4 and lines 6 through 11 of your federal Schedule D on the appropriate lines on Schedule WD. However, for those items which require adjustment, fill in the amount indicated in these instructions instead of the amount reported on your federal Schedule D.

### Items Which Require Adjustment

The following items require adjustments to the amounts reported on your federal Schedule D or as to whether an amount is reported as a short-term or long-term capital gain or loss:

**Capital loss carryovers:** Fill in your capital loss carryover from assets held one year or less from line 32 of your 2010 Schedule WD on line 5 of Schedule WD. Fill in your capital loss carryover from assets held more than one year from line 37 of your 2010 Schedule WD on line 13 of Schedule WD.

You may have to reduce your capital loss carryover to 2011 if you excluded income from discharge of indebtedness from your

2011 taxable income. Contact any Department of Revenue office for further information.

**Net capital gain on the sale of small business stock:** Do not include on Schedule WD any net capital gain from the sale of qualified small business stock which you acquired on or after January 1, 1986, held for at least 5 years, and did not acquire by gift. To be qualified small business stock, the corporation must have met certain requirements at the time you acquired the stock from the corporation. You must enclose with your Form 2 a copy of the certification you received from the corporation which indicates the requirements were met.

**Part-year and nonresident estates and trusts:** Nonresident estates and trusts should include only gain or loss from Wisconsin sources on Schedule WD. Part-year resident trusts should include the amount of gain or loss from all sources while resident and the amount of gain or loss from Wisconsin sources while nonresident.

Gain or loss from Wisconsin sources includes gain or loss from the sale of land, buildings, and machinery located in Wisconsin, and your share of gain or loss from a trust, partnership, limited liability company, or tax-option (S) corporation which has been reported to you on Schedule 2K-1, 3K-1, or 5K-1. It doesn't include losses from nonbusiness bad debts and worthless securities, and gains or losses from sales of stocks.

### Gain from installment sales:

- Taxable gain from installment sales reported on lines 2 and 7 of federal Schedule D must be reported on lines 2 and 9 of Schedule WD, as appropriate. Gain from an installment sale is reported on line 2 of Schedule WD if at the time of sale or other disposition you held the property for one year or less, unless the property was acquired from a decedent. If at the time of sale or other disposition you held the property for more than one year or acquired the property from a decedent, the gain is reported on line 9 of Schedule WD.
- Taxable gain from installment sales which is from Form 4797 and included on line 10 of federal Schedule D is included on line 9 of Schedule WD. For property not acquired from a decedent and held one year or less, report the installment sale gain on line 1 of Schedule WD. The remaining portion of the amount on line 10 of federal Schedule D should be reported on line 9 of Schedule WD.
- If you have a federal gain on an installment sale of property located outside Wisconsin and the sale occurred while you were a nonresident of Wisconsin, do not include this installment gain on Schedule WD. For Wisconsin purposes, it is assumed that a nonresident person who sells property located outside Wisconsin elects to report the entire gain in the year of sale, when none of the gain would have been taxable by Wisconsin. Subsequently, any portion of such installment gain which is taxable for federal purposes is not taxable for Wisconsin.

**NOTE:** Payments from an installment sale made prior to death that are received after death are "income in respect of a decedent" and the profit is reported in the estate's income just as it was reported prior to death. If the debt is transferred to the buyer or cancelled, the total unreported gain is taxable to the estate.

**Gain or loss from partnerships, S corporations, and other estates or trusts:** Fill in on line 3 or 10 the amount of capital gain or loss from partnerships, limited liability companies, tax-option (S) corporations, estates, and trusts.

- If the partnership, limited liability company, S corporation, estate, or trust has informed you of any adjustment to be made to the capital gain or loss for Wisconsin, be sure to use the gain or loss as adjusted.
- If you are a shareholder in a federal S corporation that elects not to be treated as a Wisconsin tax-option (S) corporation, do not include on Schedule WD any capital gain or loss distributed to you by that federal S corporation. See "Additions to or Subtractions from Income" on page 10 of these instructions for additions and subtractions you must make to adjust for tax-option (S) corporation income.

**Adjustment for differences between Wisconsin and federal basis of assets:** Gain or loss from the sale of assets may be different for Wisconsin and federal purposes because of a difference in federal and Wisconsin basis.

- If there is a difference between the Wisconsin and federal basis of property and that property is a capital asset (sale or other disposition is reported on federal Schedule D), fill in the federal gain or loss in Part I or Part II of Schedule WD, as appropriate. You must also complete Schedule C on page 3 of Form 2 to compute the amount to fill in on line 4 or 12 of Schedule WD.
- If there is a difference between the Wisconsin and federal basis of property and the sale or other disposition of such property is reported on federal Form 4797, resident estates and trusts should see the instruction for Form 2 under "Additions to or Subtractions from Income" and part-year and nonresident estates and trusts should see the instructions for line 7, Part I of Schedule NR. If you entered a gain on line 7 or 9 of your "Wisconsin" Form 4797, you must use the amount from the "Wisconsin" Form 4797 to complete line 9 of Schedule WD.

**Relocation of business to Wisconsin:** Do not include on Schedule WD any gain or loss included on federal Schedule D that relates to a business that relocated to Wisconsin in a taxable year beginning in 2011 (see Schedule RB). Schedule RB must be enclosed with Form 2.

### ■ Part III, Summary of Parts I and II

Complete lines 16 through 26 to compute the amount of capital gain or loss that must be included in Wisconsin taxable income.

**NOTE:** If capital gain income is used or set aside for charitable purposes, the amounts on lines 18 and 23 must be adjusted for the capital gain income included in the charitable deduction.

**EXAMPLE:** An estate is required to set aside 25% of its income for a charity named in the decedent's will.

Net capital gain from sale of stock	\$10,000
30% of net capital gain	\$ 3,000
Less 25% included in charitable deduction	<u>(750)</u>
Adjusted amount to enter on line 18	\$ 2,250

Wisconsin ordinary income is all taxable income for Wisconsin (not capital gains or losses) less all Wisconsin deductions.

When computing the Wisconsin capital loss limitation, "Wisconsin ordinary income" means income less deductions. Do not include capital gains or losses.

### ■ Part IV, Computation of Wisconsin Adjustment to Income

Resident estates and trusts complete Part IV to figure the amount to report as a capital gain/loss adjustment on Schedule A, Form 2. When completing Part IV, enter all amounts as positive numbers.

Compare the net gain or loss on Schedule WD (line 25 for a net gain or line 26 for a net loss) to the portion of capital gain or loss on line 4 of federal Form 1041 allocable to the estate or trust.

- If the net gain or loss on Schedule WD (line 25 for a net gain or line 26 for a net loss) is the same as the portion of capital gain or loss on line 4 of federal Form 1041 allocable to the estate or trust, do not complete Part IV. No adjustment to the capital gain or loss is necessary for Wisconsin purposes. Go on to Part V.
- If the estate or trust has a net gain for both federal and Wisconsin purposes, fill in lines 27a and 27b. Also, fill in either line 27c or 27d, whichever applies.
- If the estate or trust has a net loss for both federal and Wisconsin purposes, fill in lines 27e and 27f. Also fill in either line 27g or 27h, whichever applies.
- If the estate or trust has a net gain for federal purposes and a net loss for Wisconsin, fill in your federal gain on line 27a and your Wisconsin loss on line 27f. Fill in zero (0) on lines 27b and 27e. Also complete lines 27d and 27g. Add the amounts on lines 27d and 27g and fill in the result on line 9, Schedule A of Form 2.
- If the estate or trust has a net loss for federal purposes and a net gain for Wisconsin, fill in your federal loss on line 27e and your Wisconsin gain on line 27b. Fill in zero (0) on lines 27a and 27f. Also complete lines 27c and 27h. Add the amounts on lines 27c and 27h and fill in the result on line 4, Schedule A of Form 2.

### ■ Part V, Computation of Capital Loss Carryovers From 2011 to 2012

If the net loss on line 16 is more than the loss on line 26, complete Part V to compute the amount of your capital loss carryover. Complete lines 28 through 32 to figure the short-term capital loss carryover. Complete lines 33 through 37 to figure the long-term capital loss carryover.

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## SCHEDULE 2K-1

### BENEFICIARY'S SHARE OF INCOME, DEDUCTIONS, ETC.

Schedule 2K-1 shows each beneficiary's share of income, deductions, etc., distributed by the estate or trust. Schedule 2K-1 requires an entry for the federal amount, adjustment, and Wisconsin amount of each applicable estate or trust item.

Prepare a Schedule 2K-1 for each individual or entity that was a beneficiary during the estate's or trust's taxable year. Enclose a copy of each beneficiary's Schedule 2K-1 with the Form 2 filed with the department. Keep a copy as part of the estate's or trust's records and give each beneficiary his or her own separate copy.

**EXCEPTIONS:** A Schedule 2K-1 need not be prepared for a Wisconsin resident beneficiary if there are no differences between federal and Wisconsin income, deductions, gains or losses and there are no Wisconsin credits or withholding to be reported. Schedule 2K-1 need not be prepared for nonresident beneficiaries if the income, deductions, etc., distributed are not from Wisconsin sources and there are no Wisconsin credits to be reported. Income from Wisconsin sources includes:

- Wages, salaries, commissions, and other income for personal services performed in Wisconsin.
- Rents and royalties from tangible property located in Wisconsin, such as land, buildings, and machinery.
- Gains or losses from sales or other dispositions of tangible property located in Wisconsin, such as land, buildings, and machinery.
- Profits or losses from businesses, professions, and farm operations conducted in Wisconsin, including sole proprietorships, partnerships, limited liability companies (LLCs), and tax-option (S) corporations.
- Income from the Wisconsin state lottery, a multijurisdictional lottery if the winning lottery ticket or lottery share was purchased from a Wisconsin retailer, or pari-mutuel wager winnings and purses.
- Winnings from a casino or bingo hall located in Wisconsin and operated by a Native American tribe or band.

On each Schedule 2K-1, enter the name and federal identification number of the trust or estate. Also enter the beneficiary's identifying number (social security number for individuals), name, and address and the fiduciary's name and address in the appropriate spaces.

**Column b. Federal Amount** – Enter the applicable amount from federal Schedule K-1.

**EXCEPTION:** If the federal amount was computed using a provision of federal law that Wisconsin doesn't follow, you must first complete Schedule B on Form 2, page 3. See the instructions for lines 1 through 9 of Schedule 2K-1 for more information.

**Column c. Adjustment** – Enter the amount of any additions or subtractions from federal income (modifications and any other adjustments) made to arrive at the amount of any item of estate or trust income, deduction, etc., reportable under Wisconsin law.

**Column d. Wisconsin Amount** – Enter the amount of each estate or trust item which is reportable by the beneficiary under Wisconsin law (column b plus or minus column c).

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#### SPECIFIC INSTRUCTIONS

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**Lines 1 through 9.** Enter in column b the amount from federal Schedule K-1.

**EXCEPTION:** If an item is computed under a provision of federal law that cannot be used for Wisconsin purposes, enter in column b the amount from the federal Schedule K-1 plus or minus, as appropriate, the beneficiary's share of the amount from Schedule B, column 1 of Form 2. On line 13, identify the beneficiary's share of the amount from Schedule B, column 1 as a "Schedule I Adjustment" if the beneficiary is an individual or a "Schedule B Adjustment" if the beneficiary is a trust or estate. Each beneficiary must account for this federal – Wisconsin difference on Wisconsin Schedule I (or Schedule B).

Enter the amount of the beneficiary's share of modifications from lines 3, 5, 8, 10, and 11 of Schedule A, Form 2 or Part I of Schedule NR on the appropriate lines of Schedule 2K-1, column c. Show addition modifications as a positive number and subtraction modifications as a negative number.

**Example 1:** If the federal amount on line 1, column b of Schedule 2K-1 includes any U.S. government interest, show the beneficiary's share of the amount of U.S. government interest as a subtraction modification in column c.

**Example 2:** If the federal amount on line 6, 7, or 8, column b of Schedule 2K-1 includes a deduction for state and local income taxes, show the beneficiary's share of the amount of taxes as an addition modification in column c.

**NOTE:** Do not adjust for state and municipal interest on line 1, column c. Enter state and municipal interest taxable to Wisconsin as a subtraction on line 13, column c as "Tax-exempt interest."

For lines 3 and 4a, enter in column d the beneficiary's share of the amounts from lines 7c and 15c of Wisconsin Schedule WD (Form 2). Enter in column b the amounts from lines 3 and 4a of the federal K-1. The difference between column d and column b is entered as the adjustment in column c.

For line 4b, enter in column d the portion of the amount from column d of line 4a that is attributable to gain on the sale of farm assets, determined as follows:

$$\begin{array}{l} \text{portion of line 14, column (g)} \\ \text{of Schedule WD attributable} \\ \text{to the distributable portion of} \\ \text{gain on the sale of farm assets} \end{array} \times \begin{array}{l} \text{amount from line 4a} \\ \text{distributable portion of the} \\ \text{amount from line 14,} \\ \text{column(g) of Schedule WD} \end{array}$$



**Line 10.** If the beneficiary is an individual, the Wisconsin amount in column d is zero. If the beneficiary is another estate or a trust, the amount in column d will be the same as column b.

**Line 11.** If an amount is entered in column b as "Excess deductions" and the beneficiary is an individual, enter the negative of the amount in column b in column c and zero in column d. If the beneficiary is an estate or trust, the amount to enter in column c is determined as explained on page 14 under "Column c. Adjustment."

**Line 12.** Enter the beneficiary's share of adjustment for minimum tax purposes and distributable tax preference items from federal Schedule K-1. If any adjustment on lines 5 through 9 in column c of Schedule 2K-1 relates to an item that generates an "adjustment" or tax preference amount for minimum tax purposes, any resulting increase or decrease in the amount of the "adjustment" or tax preference for Wisconsin purposes should be entered as an adjustment in column c.

**Example:** For Wisconsin purposes an adjustment is reported on line 6 in column c of Schedule 2K-1, to increase by \$10,000 the amount of depreciation on an asset that has a larger basis for Wisconsin than for federal purposes. This depreciation is computed under an accelerated method and \$4,000 of the \$10,000 represents a tax preference. Therefore, \$4,000 would be entered on line 12, column c under "Accelerated depreciation."

**Line 13.** If any portion of an amount entered in column b as "Tax-exempt interest" is taxable for Wisconsin purposes, enter it as a subtraction in column c. The amount in column d is the amount of tax-exempt interest for Wisconsin purposes.

**Lines 14a and 14b.** Enter the beneficiary's share of related entity expenses required to be added to Wisconsin income and allowed to be subtracted from Wisconsin income.

**Lines 15a through 15w.** Enter on these lines any credits from Wisconsin Schedules DI, TC, DC, VC, IE, EC, DM, FP, MI, EB, ED, MP, JT, WB, FW, PS, WC, FL, CM, and HR that are allocable to the beneficiary.

**Line 15x.** Enter the beneficiary's portion of any health insurance risk-sharing plan assessments credit from line 3 of Schedule CR.

**Line 15y.** Enter the withholding tax paid by the trust or estate on behalf of a nonresident beneficiary. If a nonresident beneficiary claims exemption from withholding because they are an exempt entity, enclose a copy of the exemption statement with the Form 2 filed with the department.

If the trust or estate is a member of another entity that withheld Wisconsin income tax from that entity's income that is passed through to the trust's or estate's beneficiaries, also include that tax withheld in column d.

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## SCHEDULE CC INSTRUCTIONS

### INFORMATION REQUIRED WHEN REQUESTING A CLOSING CERTIFICATE

**ESTATES:** The department will issue a Closing Certificate for Fiduciaries to an estate only in cases where a Wisconsin court requires a certificate to close a proceeding. The request for the closing certificate can be made at the time the return is filed for the year prior to the final year.

Complete Part I of Schedule CC and sign at the bottom of page 2. Enclose copies of the inventory and will including any codicils, as well as the information requested in Part I of Schedule CC. If any of this information was previously submitted with a Wisconsin estate tax return, it is not necessary to submit additional copies. Mail Schedule CC and enclosures to the following address (Form 2, if being filed at the same time, should be mailed together with Schedule CC. However, do **not** staple or paper clip Schedule CC and enclosures to Form 2 and enclosures.):

Wisconsin Department of Revenue  
PO Box 8918  
Madison WI 53708-8918

The certificate will be mailed or a letter sent in six to eight weeks.

The receipt of the closing certificate does not relieve the estate from the responsibility of filing a final return.

**TRUSTS:** A Closing Certificate for Fiduciaries is issued to a trust only when the trust is under the supervision of the Probate Court. The Probate Court requires the Department of Revenue to verify that a trust under their jurisdiction has filed all tax returns and paid all taxes before releasing the trustee and allowing the trust to close. The Closing Certificate for Fiduciaries is the document that is used by the Department of Revenue to inform the court that all tax returns have been filed and all taxes paid.

The certificate may be issued in the year prior to the final year of the trust to expedite the closing of the trust. This does not relieve the trust of the requirement to file a final return.

Complete Part II of Schedule CC and sign at the bottom of page 2. Enclose copies of the trust instrument and any amendments, a statement as to why the trust is closing, and copies of the annual court accountings for the previous 3 years. If annual accountings have not been filed with the court, provide verification that the court requires the Closing Certificate for Fiduciaries to close a proceeding. Mail Schedule CC and enclosures to the following address (Form 2, if being filed at the same time, should be mailed together with Schedule CC. However, do **not** staple or paper clip Schedule CC and enclosures to Form 2 and enclosures.):

Wisconsin Department of Revenue  
PO Box 8918  
Madison WI 53708-8918

The certificate will be mailed within 120 days.

# 2011 TAX TABLE

If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is
			4,000	4,100	186	9,500	9,600	439	15,000	15,100	768	20,500	20,600	1,107
			4,100	4,200	191	9,600	9,700	444	15,100	15,200	774	20,600	20,700	1,113
			4,200	4,300	196	9,700	9,800	449	15,200	15,300	780	20,700	20,800	1,120
			4,300	4,400	200	9,800	9,900	453	15,300	15,400	786	20,800	20,900	1,126
			4,400	4,500	205	9,900	10,000	458	15,400	15,500	792	20,900	21,000	1,133
			4,500	4,600	209	10,000	10,100	462	15,500	15,600	799	21,000	21,100	1,139
			4,600	4,700	214	10,100	10,200	467	15,600	15,700	805	21,100	21,200	1,146
			4,700	4,800	219	10,200	10,300	473	15,700	15,800	811	21,200	21,300	1,152
			4,800	4,900	223	10,300	10,400	479	15,800	15,900	817	21,300	21,400	1,159
			4,900	5,000	228	10,400	10,500	485	15,900	16,000	823	21,400	21,500	1,165
			5,000	5,100	232	10,500	10,600	491	16,000	16,100	829	21,500	21,600	1,172
			5,100	5,200	237	10,600	10,700	497	16,100	16,200	835	21,600	21,700	1,178
			5,200	5,300	242	10,700	10,800	503	16,200	16,300	842	21,700	21,800	1,185
0	20	0	5,300	5,400	246	10,800	10,900	509	16,300	16,400	848	21,800	21,900	1,191
20	40	1	5,400	5,500	251	10,900	11,000	516	16,400	16,500	854	21,900	22,000	1,198
40	100	3	5,500	5,600	255	11,000	11,100	522	16,500	16,600	860	22,000	22,100	1,204
100	200	7	5,600	5,700	260	11,100	11,200	528	16,600	16,700	866	22,100	22,200	1,211
200	300	12	5,700	5,800	265	11,200	11,300	534	16,700	16,800	872	22,200	22,300	1,217
300	400	16	5,800	5,900	269	11,300	11,400	540	16,800	16,900	878	22,300	22,400	1,224
400	500	21	5,900	6,000	274	11,400	11,500	546	16,900	17,000	885	22,400	22,500	1,230
500	600	25	6,000	6,100	278	11,500	11,600	553	17,000	17,100	891	22,500	22,600	1,237
600	700	30	6,100	6,200	283	11,600	11,700	559	17,100	17,200	897	22,600	22,700	1,243
700	800	35	6,200	6,300	288	11,700	11,800	565	17,200	17,300	903	22,700	22,800	1,250
800	900	39	6,300	6,400	292	11,800	11,900	571	17,300	17,400	909	22,800	22,900	1,256
900	1,000	44	6,400	6,500	297	11,900	12,000	577	17,400	17,500	915	22,900	23,000	1,263
1,000	1,100	48	6,500	6,600	301	12,000	12,100	583	17,500	17,600	922	23,000	23,100	1,269
1,100	1,200	53	6,600	6,700	306	12,100	12,200	589	17,600	17,700	928	23,100	23,200	1,276
1,200	1,300	58	6,700	6,800	311	12,200	12,300	596	17,700	17,800	934	23,200	23,300	1,282
1,300	1,400	62	6,800	6,900	315	12,300	12,400	602	17,800	17,900	940	23,300	23,400	1,289
1,400	1,500	67	6,900	7,000	320	12,400	12,500	608	17,900	18,000	946	23,400	23,500	1,295
1,500	1,600	71	7,000	7,100	324	12,500	12,600	614	18,000	18,100	952	23,500	23,600	1,302
1,600	1,700	76	7,100	7,200	329	12,600	12,700	620	18,100	18,200	958	23,600	23,700	1,308
1,700	1,800	81	7,200	7,300	334	12,700	12,800	626	18,200	18,300	965	23,700	23,800	1,315
1,800	1,900	85	7,300	7,400	338	12,800	12,900	632	18,300	18,400	971	23,800	23,900	1,321
1,900	2,000	90	7,400	7,500	343	12,900	13,000	639	18,400	18,500	977	23,900	24,000	1,328
2,000	2,100	94	7,500	7,600	347	13,000	13,100	645	18,500	18,600	983	24,000	24,100	1,334
2,100	2,200	99	7,600	7,700	352	13,100	13,200	651	18,600	18,700	989	24,100	24,200	1,341
2,200	2,300	104	7,700	7,800	357	13,200	13,300	657	18,700	18,800	995	24,200	24,300	1,347
2,300	2,400	108	7,800	7,900	361	13,300	13,400	663	18,800	18,900	1,001	24,300	24,400	1,354
2,400	2,500	113	7,900	8,000	366	13,400	13,500	669	18,900	19,000	1,008	24,400	24,500	1,360
2,500	2,600	117	8,000	8,100	370	13,500	13,600	676	19,000	19,100	1,014	24,500	24,600	1,367
2,600	2,700	122	8,100	8,200	375	13,600	13,700	682	19,100	19,200	1,020	24,600	24,700	1,373
2,700	2,800	127	8,200	8,300	380	13,700	13,800	688	19,200	19,300	1,026	24,700	24,800	1,380
2,800	2,900	131	8,300	8,400	384	13,800	13,900	694	19,300	19,400	1,032	24,800	24,900	1,386
2,900	3,000	136	8,400	8,500	389	13,900	14,000	700	19,400	19,500	1,038	24,900	25,000	1,393
3,000	3,100	140	8,500	8,600	393	14,000	14,100	706	19,500	19,600	1,045	25,000	25,100	1,399
3,100	3,200	145	8,600	8,700	398	14,100	14,200	712	19,600	19,700	1,051	25,100	25,200	1,406
3,200	3,300	150	8,700	8,800	403	14,200	14,300	719	19,700	19,800	1,057	25,200	25,300	1,412
3,300	3,400	154	8,800	8,900	407	14,300	14,400	725	19,800	19,900	1,063	25,300	25,400	1,419
3,400	3,500	159	8,900	9,000	412	14,400	14,500	731	19,900	20,000	1,069	25,400	25,500	1,425
3,500	3,600	163	9,000	9,100	416	14,500	14,600	737	20,000	20,100	1,075	25,500	25,600	1,432
3,600	3,700	168	9,100	9,200	421	14,600	14,700	743	20,100	20,200	1,081	25,600	25,700	1,438
3,700	3,800	173	9,200	9,300	426	14,700	14,800	749	20,200	20,300	1,088	25,700	25,800	1,445
3,800	3,900	177	9,300	9,400	430	14,800	14,900	755	20,300	20,400	1,094	25,800	25,900	1,451
3,900	4,000	182	9,400	9,500	435	14,900	15,000	762	20,400	20,500	1,100	25,900	26,000	1,458

# 2011 TAX TABLE (Continued)

If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is
26,000	26,100	1,464	31,500	31,600	1,822	37,000	37,100	2,179	42,500	42,600	2,537	48,000	48,100	2,894
26,100	26,200	1,471	31,600	31,700	1,828	37,100	37,200	2,186	42,600	42,700	2,543	48,100	48,200	2,901
26,200	26,300	1,477	31,700	31,800	1,835	37,200	37,300	2,192	42,700	42,800	2,550	48,200	48,300	2,907
26,300	26,400	1,484	31,800	31,900	1,841	37,300	37,400	2,199	42,800	42,900	2,556	48,300	48,400	2,914
26,400	26,500	1,490	31,900	32,000	1,848	37,400	37,500	2,205	42,900	43,000	2,563	48,400	48,500	2,920
26,500	26,600	1,497	32,000	32,100	1,854	37,500	37,600	2,212	43,000	43,100	2,569	48,500	48,600	2,927
26,600	26,700	1,503	32,100	32,200	1,861	37,600	37,700	2,218	43,100	43,200	2,576	48,600	48,700	2,933
26,700	26,800	1,510	32,200	32,300	1,867	37,700	37,800	2,225	43,200	43,300	2,582	48,700	48,800	2,940
26,800	26,900	1,516	32,300	32,400	1,874	37,800	37,900	2,231	43,300	43,400	2,589	48,800	48,900	2,946
26,900	27,000	1,523	32,400	32,500	1,880	37,900	38,000	2,238	43,400	43,500	2,595	48,900	49,000	2,953
27,000	27,100	1,529	32,500	32,600	1,887	38,000	38,100	2,244	43,500	43,600	2,602	49,000	49,100	2,959
27,100	27,200	1,536	32,600	32,700	1,893	38,100	38,200	2,251	43,600	43,700	2,608	49,100	49,200	2,966
27,200	27,300	1,542	32,700	32,800	1,900	38,200	38,300	2,257	43,700	43,800	2,615	49,200	49,300	2,972
27,300	27,400	1,549	32,800	32,900	1,906	38,300	38,400	2,264	43,800	43,900	2,621	49,300	49,400	2,979
27,400	27,500	1,555	32,900	33,000	1,913	38,400	38,500	2,270	43,900	44,000	2,628	49,400	49,500	2,985
27,500	27,600	1,562	33,000	33,100	1,919	38,500	38,600	2,277	44,000	44,100	2,634	49,500	49,600	2,992
27,600	27,700	1,568	33,100	33,200	1,926	38,600	38,700	2,283	44,100	44,200	2,641	49,600	49,700	2,998
27,700	27,800	1,575	33,200	33,300	1,932	38,700	38,800	2,290	44,200	44,300	2,647	49,700	49,800	3,005
27,800	27,900	1,581	33,300	33,400	1,939	38,800	38,900	2,296	44,300	44,400	2,654	49,800	49,900	3,011
27,900	28,000	1,588	33,400	33,500	1,945	38,900	39,000	2,303	44,400	44,500	2,660	49,900	50,000	3,018
28,000	28,100	1,594	33,500	33,600	1,952	39,000	39,100	2,309	44,500	44,600	2,667	50,000	50,100	3,024
28,100	28,200	1,601	33,600	33,700	1,958	39,100	39,200	2,316	44,600	44,700	2,673	50,100	50,200	3,031
28,200	28,300	1,607	33,700	33,800	1,965	39,200	39,300	2,322	44,700	44,800	2,680	50,200	50,300	3,037
28,300	28,400	1,614	33,800	33,900	1,971	39,300	39,400	2,329	44,800	44,900	2,686	50,300	50,400	3,044
28,400	28,500	1,620	33,900	34,000	1,978	39,400	39,500	2,335	44,900	45,000	2,693	50,400	50,500	3,050
28,500	28,600	1,627	34,000	34,100	1,984	39,500	39,600	2,342	45,000	45,100	2,699	50,500	50,600	3,057
28,600	28,700	1,633	34,100	34,200	1,991	39,600	39,700	2,348	45,100	45,200	2,706	50,600	50,700	3,063
28,700	28,800	1,640	34,200	34,300	1,997	39,700	39,800	2,355	45,200	45,300	2,712	50,700	50,800	3,070
28,800	28,900	1,646	34,300	34,400	2,004	39,800	39,900	2,361	45,300	45,400	2,719	50,800	50,900	3,076
28,900	29,000	1,653	34,400	34,500	2,010	39,900	40,000	2,368	45,400	45,500	2,725	50,900	51,000	3,083
29,000	29,100	1,659	34,500	34,600	2,017	40,000	40,100	2,374	45,500	45,600	2,732	51,000	51,100	3,089
29,100	29,200	1,666	34,600	34,700	2,023	40,100	40,200	2,381	45,600	45,700	2,738	51,100	51,200	3,096
29,200	29,300	1,672	34,700	34,800	2,030	40,200	40,300	2,387	45,700	45,800	2,745	51,200	51,300	3,102
29,300	29,400	1,679	34,800	34,900	2,036	40,300	40,400	2,394	45,800	45,900	2,751	51,300	51,400	3,109
29,400	29,500	1,685	34,900	35,000	2,043	40,400	40,500	2,400	45,900	46,000	2,758	51,400	51,500	3,115
29,500	29,600	1,692	35,000	35,100	2,049	40,500	40,600	2,407	46,000	46,100	2,764	51,500	51,600	3,122
29,600	29,700	1,698	35,100	35,200	2,056	40,600	40,700	2,413	46,100	46,200	2,771	51,600	51,700	3,128
29,700	29,800	1,705	35,200	35,300	2,062	40,700	40,800	2,420	46,200	46,300	2,777	51,700	51,800	3,135
29,800	29,900	1,711	35,300	35,400	2,069	40,800	40,900	2,426	46,300	46,400	2,784	51,800	51,900	3,141
29,900	30,000	1,718	35,400	35,500	2,075	40,900	41,000	2,433	46,400	46,500	2,790	51,900	52,000	3,148
30,000	30,100	1,724	35,500	35,600	2,082	41,000	41,100	2,439	46,500	46,600	2,797	52,000	52,100	3,154
30,100	30,200	1,731	35,600	35,700	2,088	41,100	41,200	2,446	46,600	46,700	2,803	52,100	52,200	3,161
30,200	30,300	1,737	35,700	35,800	2,095	41,200	41,300	2,452	46,700	46,800	2,810	52,200	52,300	3,167
30,300	30,400	1,744	35,800	35,900	2,101	41,300	41,400	2,459	46,800	46,900	2,816	52,300	52,400	3,174
30,400	30,500	1,750	35,900	36,000	2,108	41,400	41,500	2,465	46,900	47,000	2,823	52,400	52,500	3,180
30,500	30,600	1,757	36,000	36,100	2,114	41,500	41,600	2,472	47,000	47,100	2,829	52,500	52,600	3,187
30,600	30,700	1,763	36,100	36,200	2,121	41,600	41,700	2,478	47,100	47,200	2,836	52,600	52,700	3,193
30,700	30,800	1,770	36,200	36,300	2,127	41,700	41,800	2,485	47,200	47,300	2,842	52,700	52,800	3,200
30,800	30,900	1,776	36,300	36,400	2,134	41,800	41,900	2,491	47,300	47,400	2,849	52,800	52,900	3,206
30,900	31,000	1,783	36,400	36,500	2,140	41,900	42,000	2,498	47,400	47,500	2,855	52,900	53,000	3,213
31,000	31,100	1,789	36,500	36,600	2,147	42,000	42,100	2,504	47,500	47,600	2,862	53,000	53,100	3,219
31,100	31,200	1,796	36,600	36,700	2,153	42,100	42,200	2,511	47,600	47,700	2,868	53,100	53,200	3,226
31,200	31,300	1,802	36,700	36,800	2,160	42,200	42,300	2,517	47,700	47,800	2,875	53,200	53,300	3,232
31,300	31,400	1,809	36,800	36,900	2,166	42,300	42,400	2,524	47,800	47,900	2,881	53,300	53,400	3,239
31,400	31,500	1,815	36,900	37,000	2,173	42,400	42,500	2,530	47,900	48,000	2,888	53,400	53,500	3,245

# 2011 TAX TABLE (Continued)

If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is
53,500	53,600	3,252	59,000	59,100	3,609	64,500	64,600	3,967	70,000	70,100	4,324	75,500	75,600	4,682
53,600	53,700	3,258	59,100	59,200	3,616	64,600	64,700	3,973	70,100	70,200	4,331	75,600	75,700	4,688
53,700	53,800	3,265	59,200	59,300	3,622	64,700	64,800	3,980	70,200	70,300	4,337	75,700	75,800	4,695
53,800	53,900	3,271	59,300	59,400	3,629	64,800	64,900	3,986	70,300	70,400	4,344	75,800	75,900	4,701
53,900	54,000	3,278	59,400	59,500	3,635	64,900	65,000	3,993	70,400	70,500	4,350	75,900	76,000	4,708
54,000	54,100	3,284	59,500	59,600	3,642	65,000	65,100	3,999	70,500	70,600	4,357	76,000	76,100	4,714
54,100	54,200	3,291	59,600	59,700	3,648	65,100	65,200	4,006	70,600	70,700	4,363	76,100	76,200	4,721
54,200	54,300	3,297	59,700	59,800	3,655	65,200	65,300	4,012	70,700	70,800	4,370	76,200	76,300	4,727
54,300	54,400	3,304	59,800	59,900	3,661	65,300	65,400	4,019	70,800	70,900	4,376	76,300	76,400	4,734
54,400	54,500	3,310	59,900	60,000	3,668	65,400	65,500	4,025	70,900	71,000	4,383	76,400	76,500	4,740
54,500	54,600	3,317	60,000	60,100	3,674	65,500	65,600	4,032	71,000	71,100	4,389	76,500	76,600	4,747
54,600	54,700	3,323	60,100	60,200	3,681	65,600	65,700	4,038	71,100	71,200	4,396	76,600	76,700	4,753
54,700	54,800	3,330	60,200	60,300	3,687	65,700	65,800	4,045	71,200	71,300	4,402	76,700	76,800	4,760
54,800	54,900	3,336	60,300	60,400	3,694	65,800	65,900	4,051	71,300	71,400	4,409	76,800	76,900	4,766
54,900	55,000	3,343	60,400	60,500	3,700	65,900	66,000	4,058	71,400	71,500	4,415	76,900	77,000	4,773
55,000	55,100	3,349	60,500	60,600	3,707	66,000	66,100	4,064	71,500	71,600	4,422	77,000	77,100	4,779
55,100	55,200	3,356	60,600	60,700	3,713	66,100	66,200	4,071	71,600	71,700	4,428	77,100	77,200	4,786
55,200	55,300	3,362	60,700	60,800	3,720	66,200	66,300	4,077	71,700	71,800	4,435	77,200	77,300	4,792
55,300	55,400	3,369	60,800	60,900	3,726	66,300	66,400	4,084	71,800	71,900	4,441	77,300	77,400	4,799
55,400	55,500	3,375	60,900	61,000	3,733	66,400	66,500	4,090	71,900	72,000	4,448	77,400	77,500	4,805
55,500	55,600	3,382	61,000	61,100	3,739	66,500	66,600	4,097	72,000	72,100	4,454	77,500	77,600	4,812
55,600	55,700	3,388	61,100	61,200	3,746	66,600	66,700	4,103	72,100	72,200	4,461	77,600	77,700	4,818
55,700	55,800	3,395	61,200	61,300	3,752	66,700	66,800	4,110	72,200	72,300	4,467	77,700	77,800	4,825
55,800	55,900	3,401	61,300	61,400	3,759	66,800	66,900	4,116	72,300	72,400	4,474	77,800	77,900	4,831
55,900	56,000	3,408	61,400	61,500	3,765	66,900	67,000	4,123	72,400	72,500	4,480	77,900	78,000	4,838
56,000	56,100	3,414	61,500	61,600	3,772	67,000	67,100	4,129	72,500	72,600	4,487	78,000	78,100	4,844
56,100	56,200	3,421	61,600	61,700	3,778	67,100	67,200	4,136	72,600	72,700	4,493	78,100	78,200	4,851
56,200	56,300	3,427	61,700	61,800	3,785	67,200	67,300	4,142	72,700	72,800	4,500	78,200	78,300	4,857
56,300	56,400	3,434	61,800	61,900	3,791	67,300	67,400	4,149	72,800	72,900	4,506	78,300	78,400	4,864
56,400	56,500	3,440	61,900	62,000	3,798	67,400	67,500	4,155	72,900	73,000	4,513	78,400	78,500	4,870
56,500	56,600	3,447	62,000	62,100	3,804	67,500	67,600	4,162	73,000	73,100	4,519	78,500	78,600	4,877
56,600	56,700	3,453	62,100	62,200	3,811	67,600	67,700	4,168	73,100	73,200	4,526	78,600	78,700	4,883
56,700	56,800	3,460	62,200	62,300	3,817	67,700	67,800	4,175	73,200	73,300	4,532	78,700	78,800	4,890
56,800	56,900	3,466	62,300	62,400	3,824	67,800	67,900	4,181	73,300	73,400	4,539	78,800	78,900	4,896
56,900	57,000	3,473	62,400	62,500	3,830	67,900	68,000	4,188	73,400	73,500	4,545	78,900	79,000	4,903
57,000	57,100	3,479	62,500	62,600	3,837	68,000	68,100	4,194	73,500	73,600	4,552	79,000	79,100	4,909
57,100	57,200	3,486	62,600	62,700	3,843	68,100	68,200	4,201	73,600	73,700	4,558	79,100	79,200	4,916
57,200	57,300	3,492	62,700	62,800	3,850	68,200	68,300	4,207	73,700	73,800	4,565	79,200	79,300	4,922
57,300	57,400	3,499	62,800	62,900	3,856	68,300	68,400	4,214	73,800	73,900	4,571	79,300	79,400	4,929
57,400	57,500	3,505	62,900	63,000	3,863	68,400	68,500	4,220	73,900	74,000	4,578	79,400	79,500	4,935
57,500	57,600	3,512	63,000	63,100	3,869	68,500	68,600	4,227	74,000	74,100	4,584	79,500	79,600	4,942
57,600	57,700	3,518	63,100	63,200	3,876	68,600	68,700	4,233	74,100	74,200	4,591	79,600	79,700	4,948
57,700	57,800	3,525	63,200	63,300	3,882	68,700	68,800	4,240	74,200	74,300	4,597	79,700	79,800	4,955
57,800	57,900	3,531	63,300	63,400	3,889	68,800	68,900	4,246	74,300	74,400	4,604	79,800	79,900	4,961
57,900	58,000	3,538	63,400	63,500	3,895	68,900	69,000	4,253	74,400	74,500	4,610	79,900	80,000	4,968
58,000	58,100	3,544	63,500	63,600	3,902	69,000	69,100	4,259	74,500	74,600	4,617	80,000	80,100	4,974
58,100	58,200	3,551	63,600	63,700	3,908	69,100	69,200	4,266	74,600	74,700	4,623	80,100	80,200	4,981
58,200	58,300	3,557	63,700	63,800	3,915	69,200	69,300	4,272	74,700	74,800	4,630	80,200	80,300	4,987
58,300	58,400	3,564	63,800	63,900	3,921	69,300	69,400	4,279	74,800	74,900	4,636	80,300	80,400	4,994
58,400	58,500	3,570	63,900	64,000	3,928	69,400	69,500	4,285	74,900	75,000	4,643	80,400	80,500	5,000
58,500	58,600	3,577	64,000	64,100	3,934	69,500	69,600	4,292	75,000	75,100	4,649	80,500	80,600	5,007
58,600	58,700	3,583	64,100	64,200	3,941	69,600	69,700	4,298	75,100	75,200	4,656	80,600	80,700	5,013
58,700	58,800	3,590	64,200	64,300	3,947	69,700	69,800	4,305	75,200	75,300	4,662	80,700	80,800	5,020
58,800	58,900	3,596	64,300	64,400	3,954	69,800	69,900	4,311	75,300	75,400	4,669	80,800	80,900	5,026
58,900	59,000	3,603	64,400	64,500	3,960	69,900	70,000	4,318	75,400	75,500	4,675	80,900	81,000	5,033

# 2011 TAX TABLE (Continued)

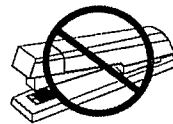
If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is
81,000	81,100	5,039	86,500	86,600	5,397	92,000	92,100	5,754	97,500	97,600	6,112
81,100	81,200	5,046	86,600	86,700	5,403	92,100	92,200	5,761	97,600	97,700	6,118
81,200	81,300	5,052	86,700	86,800	5,410	92,200	92,300	5,767	97,700	97,800	6,125
81,300	81,400	5,059	86,800	86,900	5,416	92,300	92,400	5,774	97,800	97,900	6,131
81,400	81,500	5,065	86,900	87,000	5,423	92,400	92,500	5,780	97,900	98,000	6,138
81,500	81,600	5,072	87,000	87,100	5,429	92,500	92,600	5,787	98,000	98,100	6,144
81,600	81,700	5,078	87,100	87,200	5,436	92,600	92,700	5,793	98,100	98,200	6,151
81,700	81,800	5,085	87,200	87,300	5,442	92,700	92,800	5,800	98,200	98,300	6,157
81,800	81,900	5,091	87,300	87,400	5,449	92,800	92,900	5,806	98,300	98,400	6,164
81,900	82,000	5,098	87,400	87,500	5,455	92,900	93,000	5,813	98,400	98,500	6,170
82,000	82,100	5,104	87,500	87,600	5,462	93,000	93,100	5,819	98,500	98,600	6,177
82,100	82,200	5,111	87,600	87,700	5,468	93,100	93,200	5,826	98,600	98,700	6,183
82,200	82,300	5,117	87,700	87,800	5,475	93,200	93,300	5,832	98,700	98,800	6,190
82,300	82,400	5,124	87,800	87,900	5,481	93,300	93,400	5,839	98,800	98,900	6,196
82,400	82,500	5,130	87,900	88,000	5,488	93,400	93,500	5,845	98,900	99,000	6,203
82,500	82,600	5,137	88,000	88,100	5,494	93,500	93,600	5,852	99,000	99,100	6,209
82,600	82,700	5,143	88,100	88,200	5,501	93,600	93,700	5,858	99,100	99,200	6,216
82,700	82,800	5,150	88,200	88,300	5,507	93,700	93,800	5,865	99,200	99,300	6,222
82,800	82,900	5,156	88,300	88,400	5,514	93,800	93,900	5,871	99,300	99,400	6,229
82,900	83,000	5,163	88,400	88,500	5,520	93,900	94,000	5,878	99,400	99,500	6,235
83,000	83,100	5,169	88,500	88,600	5,527	94,000	94,100	5,884	99,500	99,600	6,242
83,100	83,200	5,176	88,600	88,700	5,533	94,100	94,200	5,891	99,600	99,700	6,248
83,200	83,300	5,182	88,700	88,800	5,540	94,200	94,300	5,897	99,700	99,800	6,255
83,300	83,400	5,189	88,800	88,900	5,546	94,300	94,400	5,904	99,800	99,900	6,261
83,400	83,500	5,195	88,900	89,000	5,553	94,400	94,500	5,910	99,900	100,000	6,268
83,500	83,600	5,202	89,000	89,100	5,559	94,500	94,600	5,917	<div>100,000 152,740 6,271</div> <div>plus 6.50% of the amount over \$100,000 but less than \$152,740</div>		
83,600	83,700	5,208	89,100	89,200	5,566	94,600	94,700	5,923			
83,700	83,800	5,215	89,200	89,300	5,572	94,700	94,800	5,930			
83,800	83,900	5,221	89,300	89,400	5,579	94,800	94,900	5,936			
83,900	84,000	5,228	89,400	89,500	5,585	94,900	95,000	5,943			
84,000	84,100	5,234	89,500	89,600	5,592	95,000	95,100	5,949	<div>152,740 224,210 9,699</div> <div>plus 6.75% of the amount over \$152,740 but less than \$224,210</div>		
84,100	84,200	5,241	89,600	89,700	5,598	95,100	95,200	5,956			
84,200	84,300	5,247	89,700	89,800	5,605	95,200	95,300	5,962			
84,300	84,400	5,254	89,800	89,900	5,611	95,300	95,400	5,969			
84,400	84,500	5,260	89,900	90,000	5,618	95,400	95,500	5,975			
84,500	84,600	5,267	90,000	90,100	5,624	95,500	95,600	5,982	<div>\$224,210 or more</div> <div>\$14,523 plus 7.75% of the amount over \$224,210</div>		
84,600	84,700	5,273	90,100	90,200	5,631	95,600	95,700	5,988			
84,700	84,800	5,280	90,200	90,300	5,637	95,700	95,800	5,995			
84,800	84,900	5,286	90,300	90,400	5,644	95,800	95,900	6,001			
84,900	85,000	5,293	90,400	90,500	5,650	95,900	96,000	6,008			
85,000	85,100	5,299	90,500	90,600	5,657	96,000	96,100	6,014			
85,100	85,200	5,306	90,600	90,700	5,663	96,100	96,200	6,021			
85,200	85,300	5,312	90,700	90,800	5,670	96,200	96,300	6,027			
85,300	85,400	5,319	90,800	90,900	5,676	96,300	96,400	6,034			
85,400	85,500	5,325	90,900	91,000	5,683	96,400	96,500	6,040			
85,500	85,600	5,332	91,000	91,100	5,689	96,500	96,600	6,047			
85,600	85,700	5,338	91,100	91,200	5,696	96,600	96,700	6,053			
85,700	85,800	5,345	91,200	91,300	5,702	96,700	96,800	6,060			
85,800	85,900	5,351	91,300	91,400	5,709	96,800	96,900	6,066			
85,900	86,000	5,358	91,400	91,500	5,715	96,900	97,000	6,073			
86,000	86,100	5,364	91,500	91,600	5,722	97,000	97,100	6,079			
86,100	86,200	5,371	91,600	91,700	5,728	97,100	97,200	6,086			
86,200	86,300	5,377	91,700	91,800	5,735	97,200	97,300	6,092			
86,300	86,400	5,384	91,800	91,900	5,741	97,300	97,400	6,099			
86,400	86,500	5,390	91,900	92,000	5,748	97,400	97,500	6,105			

## TIPS ON FILING FORM 2

E-file Form 2 for the fastest processing available. However, if you do paper file, there are several things you can do that will speed-up processing.

Paper returns are electronically scanned. The processing of the return (and any refund) is delayed when the return cannot be read correctly. **To aid in the scanning process**, be sure to do the following when completing Form 2:

- Do not submit photocopies to the department. Photocopies can cause unreadable entries.
- Use BLACK INK. Pencils, colored ink, and markers do not scan well.
- Write name and address information clearly using BLOCK CAPITAL LETTERS like this: A B C D ...
- NEVER USE COMMAS OR DOLLAR SIGNS. They can be misread when scanned.
- Round off amounts to WHOLE DOLLARS – NO CENTS.
- Do not use parentheses ( ) for a negative number. Use a negative sign, -8300 rather than (8300).
- Print your numbers like this: **0 1 2 3 4 5 6 7 8 9** Do not use: **Ø 1 4 7**
- Do not add cents in front of the preprinted zeros on entry lines.
- Do not cross out entries. Erase or start over.
- Do not write in the margins.
- Always put entries on the lines, not to the side, above, or below the line.
- Lines where no entry is required should be left blank. Do not fill in zeros.
- Do not draw vertical lines in entry fields. They can be read as a "1" when scanned.
- If mailing more than one Form 2 at a time, use colored separator sheets in between returns.
- Do not use staples when assembling Form 2 and enclosures.



IN THE MATTER OF THE ESTATE OF \_\_\_\_\_

☐ Amended**Personal Representative's  
Statement to Close Estate**

(Informal Administration)

Case No. \_\_\_\_\_

**I VERIFY THAT I, OR A PRIOR PERSONAL REPRESENTATIVE WHOM I HAVE SUCCEEDED:**

1. Gave notice to interested persons and to creditors as required by law and that the time for filing claims expired prior to the date of this statement.
2. Fully administered the estate by making payment, settlement, or other disposition of all claims presented, expenses of administration, reasonable funeral and burial expenses, death and other taxes, except as otherwise specified below.
3. Inventoried the assets of the estate, furnished a copy of the inventory to interested persons and distributed the assets to the persons entitled to them.
4. ☐ No unpaid claims, expenses or taxes are outstanding.  
☐ Made the following detailed arrangements to accommodate any unpaid claims: \_\_\_\_\_

☐ See attached

5. Sent a copy of this statement to all distributees of this estate and to all creditors or other claimants of whom I am aware whose claims are neither paid nor barred.
6. Furnished a full account of the administration, in writing, to all persons whose interests are affected.
7. Paid attorney fees of \$\_\_\_\_\_.
8. Understand that if no proceedings challenging this statement or otherwise involving me as personal representative are pending in the court 6 months after this statement is filed, my appointment as the personal representative terminates.

State of \_\_\_\_\_

County of \_\_\_\_\_

Subscribed and sworn to before me on \_\_\_\_\_

Notary Public/Court Official

Name Printed or Typed

My commission/term expires: \_\_\_\_\_

Personal Representative

Name Printed or Typed

Address

Telephone Number

Date

State of \_\_\_\_\_

County of \_\_\_\_\_

Subscribed and sworn to before me on \_\_\_\_\_

Notary Public/Court Official

Name Printed or Typed

My commission/term expires: \_\_\_\_\_

Personal Representative

Name Printed or Typed

Address

Telephone Number

Date

# Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)

OMB No. 1545-0003

EIN

▶ See separate instructions for each line. ▶ Keep a copy for your records.

Type or print clearly.	1 Legal name of entity (or individual) for whom the EIN is being requested		
	2 Trade name of business (if different from name on line 1)		3 Executor, administrator, trustee, "care of" name
	4a Mailing address (room, apt., suite no. and street, or P.O. box)		5a Street address (if different) (Do not enter a P.O. box.)
	4b City, state, and ZIP code (if foreign, see instructions)		5b City, state, and ZIP code (if foreign, see instructions)
	6 County and state where principal business is located		
	7a Name of responsible party		7b SSN, ITIN, or EIN
8a Is this application for a limited liability company (LLC) (or a foreign equivalent)? <input type="checkbox"/> Yes <input type="checkbox"/> No		8b If 8a is "Yes," enter the number of LLC members ▶	
8c If 8a is "Yes," was the LLC organized in the United States? <input type="checkbox"/> Yes <input type="checkbox"/> No			
9a Type of entity (check only one box). <b>Caution.</b> If 8a is "Yes," see the instructions for the correct box to check.			
<div><input type="checkbox"/> Sole proprietor (SSN) _____ <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation (enter form number to be filed) ▶ _____ <input type="checkbox"/> Personal service corporation <input type="checkbox"/> Church or church-controlled organization <input type="checkbox"/> Other nonprofit organization (specify) ▶ _____ <input type="checkbox"/> Other (specify) ▶ _____</div> <div><input type="checkbox"/> Estate (SSN of decedent) _____ <input type="checkbox"/> Plan administrator (TIN) _____ <input type="checkbox"/> Trust (TIN of grantor) _____ <input type="checkbox"/> National Guard <input type="checkbox"/> State/local government <input type="checkbox"/> Farmers' cooperative <input type="checkbox"/> Federal government/military <input type="checkbox"/> REMIC <input type="checkbox"/> Indian tribal governments/enterprises Group Exemption Number (GEN) if any ▶ _____</div>			
9b If a corporation, name the state or foreign country (if applicable) where incorporated		State	Foreign country
10 Reason for applying (check only one box)			
<div><input type="checkbox"/> Started new business (specify type) ▶ _____ <input type="checkbox"/> Hired employees (Check the box and see line 13.) <input type="checkbox"/> Compliance with IRS withholding regulations <input type="checkbox"/> Other (specify) ▶ _____</div> <div><input type="checkbox"/> Banking purpose (specify purpose) ▶ _____ <input type="checkbox"/> Changed type of organization (specify new type) ▶ _____ <input type="checkbox"/> Purchased going business <input type="checkbox"/> Created a trust (specify type) ▶ _____ <input type="checkbox"/> Created a pension plan (specify type) ▶ _____</div>			
11 Date business started or acquired (month, day, year). See instructions.		12 Closing month of accounting year	
13 Highest number of employees expected in the next 12 months (enter -0- if none). If no employees expected, skip line 14.		14 If you expect your employment tax liability to be \$1,000 or less in a full calendar year <b>and</b> want to file Form 944 annually instead of Forms 941 quarterly, check here. (Your employment tax liability generally will be \$1,000 or less if you expect to pay \$4,000 or less in total wages.) If you do not check this box, you must file Form 941 for every quarter. <input type="checkbox"/>	
Agricultural		Household	Other
15 First date wages or annuities were paid (month, day, year). <b>Note.</b> If applicant is a withholding agent, enter date income will first be paid to nonresident alien (month, day, year) . . . . . ▶			
16 Check <b>one</b> box that best describes the principal activity of your business.			
<div><input type="checkbox"/> Construction <input type="checkbox"/> Rental &amp; leasing <input type="checkbox"/> Transportation &amp; warehousing <input type="checkbox"/> Health care &amp; social assistance <input type="checkbox"/> Wholesale-agent/broker</div> <div><input type="checkbox"/> Real estate <input type="checkbox"/> Manufacturing <input type="checkbox"/> Finance &amp; insurance <input type="checkbox"/> Accommodation &amp; food service <input type="checkbox"/> Wholesale-other <input type="checkbox"/> Retail</div> <div><input type="checkbox"/> Other (specify) _____</div>			
17 Indicate principal line of merchandise sold, specific construction work done, products produced, or services provided.			
18 Has the applicant entity shown on line 1 ever applied for and received an EIN? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," write previous EIN here ▶ _____			
Third Party Designee	Complete this section only if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.		
	Designee's name		Designee's telephone number (include area code) ( )
	Address and ZIP code		Designee's fax number (include area code) ( )
Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.			Applicant's telephone number (include area code) ( )
Name and title (type or print clearly) ▶			Applicant's fax number (include area code) ( )
Signature ▶			Date ▶



## Do I Need an EIN?

File Form SS-4 if the applicant entity does not already have an EIN but is required to show an EIN on any return, statement, or other document.<sup>1</sup> See also the separate instructions for each line on Form SS-4.

IF the applicant...	AND...	THEN...
Started a new business	Does not currently have (nor expect to have) employees	Complete lines 1, 2, 4a-8a, 8b-c (if applicable), 9a, 9b (if applicable), and 10-14 and 16-18.
Hired (or will hire) employees, including household employees	Does not already have an EIN	Complete lines 1, 2, 4a-6, 7a-b (if applicable), 8a, 8b-c (if applicable), 9a, 9b (if applicable), 10-18.
Opened a bank account	Needs an EIN for banking purposes only	Complete lines 1-5b, 7a-b (if applicable), 8a, 8b-c (if applicable), 9a, 9b (if applicable), 10, and 18.
Changed type of organization	Either the legal character of the organization or its ownership changed (for example, you incorporate a sole proprietorship or form a partnership) <sup>2</sup>	Complete lines 1-18 (as applicable).
Purchased a going business <sup>3</sup>	Does not already have an EIN	Complete lines 1-18 (as applicable).
Created a trust	The trust is other than a grantor trust or an IRA trust <sup>4</sup>	Complete lines 1-18 (as applicable).
Created a pension plan as a plan administrator <sup>5</sup>	Needs an EIN for reporting purposes	Complete lines 1, 3, 4a-5b, 9a, 10, and 18.
Is a foreign person needing an EIN to comply with IRS withholding regulations	Needs an EIN to complete a Form W-8 (other than Form W-8ECI), avoid withholding on portfolio assets, or claim tax treaty benefits <sup>6</sup>	Complete lines 1-5b, 7a-b (SSN or ITIN optional), 8a, 8b-c (if applicable), 9a, 9b (if applicable), 10, and 18.
Is administering an estate	Needs an EIN to report estate income on Form 1041	Complete lines 1-6, 9a, 10-12, 13-17 (if applicable), and 18.
Is a withholding agent for taxes on non-wage income paid to an alien (i.e., individual, corporation, or partnership, etc.)	Is an agent, broker, fiduciary, manager, tenant, or spouse who is required to file Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons	Complete lines 1, 2, 3 (if applicable), 4a-5b, 7a-b (if applicable), 8a, 8b-c (if applicable), 9a, 9b (if applicable), 10, and 18.
Is a state or local agency	Serves as a tax reporting agent for public assistance recipients under Rev. Proc. 80-4, 1980-1 C.B. 581 <sup>7</sup>	Complete lines 1, 2, 4a-5b, 9a, 10, and 18.
Is a single-member LLC	Needs an EIN to file Form 8832, Classification Election, for filing employment tax returns and excise tax returns, or for state reporting purposes <sup>8</sup>	Complete lines 1-18 (as applicable).
Is an S corporation	Needs an EIN to file Form 2553, Election by a Small Business Corporation <sup>9</sup>	Complete lines 1-18 (as applicable).

<sup>1</sup> For example, a sole proprietorship or self-employed farmer who establishes a qualified retirement plan, or is required to file excise, employment, alcohol, tobacco, or firearms returns, must have an EIN. A partnership, corporation, REMIC (real estate mortgage investment conduit), nonprofit organization (church, club, etc.), or farmers' cooperative must use an EIN for any tax-related purpose even if the entity does not have employees.

<sup>2</sup> However, do not apply for a new EIN if the existing entity only (a) changed its business name, (b) elected on Form 8832 to change the way it is taxed (or is covered by the default rules), or (c) terminated its partnership status because at least 50% of the total interests in partnership capital and profits were sold or exchanged within a 12-month period. The EIN of the terminated partnership should continue to be used. See Regulations section 301.6109-1(d)(2)(iii).

<sup>3</sup> Do not use the EIN of the prior business unless you became the "owner" of a corporation by acquiring its stock.

<sup>4</sup> However, grantor trusts that do not file using Optional Method 1 and IRA trusts that are required to file Form 990-T, Exempt Organization Business Income Tax Return, must have an EIN. For more information on grantor trusts, see the Instructions for Form 1041.

<sup>5</sup> A plan administrator is the person or group of persons specified as the administrator by the instrument under which the plan is operated.

<sup>6</sup> Entities applying to be a Qualified Intermediary (QI) need a QI-EIN even if they already have an EIN. See Rev. Proc. 2000-12.

<sup>7</sup> See also *Household employer* on page 4 of the instructions. **Note.** State or local agencies may need an EIN for other reasons, for example, hired employees.

<sup>8</sup> See *Disregarded entities* on page 4 of the instructions for details on completing Form SS-4 for an LLC.

<sup>9</sup> An existing corporation that is electing or revoking S corporation status should use its previously-assigned EIN.



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
CINCINNATI OH 45999-0023

Date of this notice: 02-07-2012

Employer Identification Number:  
[REDACTED]

Form: SS-4

Number of this notice: CP 575 B

For assistance you may call us at:  
1-800-829-4933

IF YOU WRITE, ATTACH THE  
STUB AT THE END OF THIS NOTICE.

[REDACTED] ESTATE  
[REDACTED] PER REP  
[REDACTED]

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN [REDACTED]. This EIN will identify your estate or trust. If you are not the applicant, please contact the individual who is handling the estate or trust for you. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 1041

09/15/2012

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at [www.irs.gov](http://www.irs.gov). If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

## IMPORTANT REMINDERS:

- \* Keep a copy of this notice in your permanent records. This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you.
- \* Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- \* Refer to this EIN on your tax-related correspondence and documents.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return the stub. Thank you for your cooperation.

Keep this part for your records.

CP 575 B (Rev. 7-2007)

Return this part with any correspondence  
so we may identify your account. Please  
correct any errors in your name or address.

CP 575 B

9999999999

Your Telephone Number Best Time to Call  
( ) -

DATE OF THIS NOTICE: 02-07-2012

EMPLOYER IDENTIFICATION NUMBER: [REDACTED]

FORM: SS-4

NOBOD

INTERNAL REVENUE SERVICE  
CINCINNATI OH 45999-0023

|||||

[REDACTED] ESTATE

[REDACTED] REP

# Notice Concerning Fiduciary Relationship

(Internal Revenue Code sections 6036 and 6903)

OMB No. 1545-0013

## Part I Identification

Name of person for whom you are acting (as shown on the tax return)	Identifying number	Decedent's social security no.
Address of person for whom you are acting (number, street, and room or suite no.)		
City or town, state, and ZIP code (If a foreign address, see instructions.)		
Fiduciary's name		
Address of fiduciary (number, street, and room or suite no.)		
City or town, state, and ZIP code	Telephone number (optional) ( )	

## Section A. Authority

- 1 Authority for fiduciary relationship. Check applicable box:
- a ☐ Court appointment of testate estate (valid will exists)
  - b ☐ Court appointment of intestate estate (no valid will exists)
  - c ☐ Court appointment as guardian or conservator
  - d ☐ Valid trust instrument and amendments
  - e ☐ Bankruptcy or assignment for the benefit of creditors
  - f ☐ Other. Describe ►
- 2a If box 1a or 1b is checked, enter the date of death ►
- 2b If box 1c—1f is checked, enter the date of appointment, taking office, or assignment or transfer of assets ►

## Section B. Nature of Liability and Tax Notices

- 3 Type of taxes (check all that apply): ☐ Income ☐ Gift ☐ Estate ☐ Generation-skipping transfer ☐ Employment  
☐ Excise ☐ Other (describe) ►
- 4 Federal tax form number (check all that apply): a ☐ 706 series b ☐ 709 c ☐ 940 d ☐ 941, 943, 944  
e ☐ 1040, 1040-A, or 1040-EZ f ☐ 1041 g ☐ 1120 h ☐ Other (list) ►
- 5 If your authority as a fiduciary does not cover all years or tax periods, check here . . . . . ► ☐  
and list the specific years or periods ►
- 6 If the fiduciary listed wants a copy of notices or other written communications (see the instructions) check this box . . . . . ► ☐  
and enter the year(s) or period(s) for the corresponding line 4 item checked. If more than 1 form entered on line 4h, enter the form number.


Complete only if the line 6 box is checked.

If this item is checked:	Enter year(s) or period(s)	If this item is checked:	Enter year(s) or period(s)
4a		4b	
4c		4d	
4e		4f	
4g		4h:	
4h:		4h:	

**Part II** Court and Administrative Proceedings

Name of court (if other than a court proceeding, identify the type of proceeding and name of agency)		Date proceeding initiated	
Address of court		Docket number of proceeding	
City or town, state, and ZIP code	Date	Time <input type="checkbox"/> a.m. <input type="checkbox"/> p.m.	Place of other proceedings

**Part III** Signature

<b>Please Sign Here</b>	I certify that I have the authority to execute this notice concerning fiduciary relationship on behalf of the taxpayer.		
	 Fiduciary's signature	Title, if applicable	Date

<b>A</b> Check all that apply:		For calendar year 2011 or fiscal year beginning _____, 2011, and ending _____, 20	
<input type="checkbox"/> Decedent's estate	Name of estate or trust (If a grantor type trust, see the instructions.)  Name and title of fiduciary  Number, street, and room or suite no. (If a P.O. box, see the instructions.)  City or town, state, and ZIP code	<b>C</b> Employer identification number _____	
<input type="checkbox"/> Simple trust		<b>D</b> Date entity created _____	
<input type="checkbox"/> Complex trust		<b>E</b> Nonexempt charitable and split-interest trusts, check applicable box(es), see instructions.	
<input type="checkbox"/> Qualified disability trust		<input type="checkbox"/> Described in sec. 4947(a)(1). Check here if not a private foundation <input type="checkbox"/> <input type="checkbox"/> Described in sec. 4947(a)(2)	
<input type="checkbox"/> ESBT (S portion only)		<input type="checkbox"/> Change in trust's name	
<input type="checkbox"/> Grantor type trust		<input type="checkbox"/> Change in fiduciary's address	
<input type="checkbox"/> Bankruptcy estate—Ch. 7			
<input type="checkbox"/> Bankruptcy estate—Ch. 11			
<input type="checkbox"/> Pooled income fund			
<b>B</b> Number of Schedules K-1 attached (see instructions) ▶		<b>F</b> Check applicable boxes: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Change in fiduciary <input type="checkbox"/> Change in fiduciary's name	
<b>G</b> Check here if the estate or filing trust made a section 645 election. <input type="checkbox"/>			

<b>Income</b>	<b>1</b> Interest income . . . . .	<b>1</b>	
	<b>2a</b> Total ordinary dividends . . . . .	<b>2a</b>	
	<b>b</b> Qualified dividends allocable to: (1) Beneficiaries _____ (2) Estate or trust _____		
	<b>3</b> Business income or (loss). Attach Schedule C or C-EZ (Form 1040) . . . . .	<b>3</b>	
	<b>4</b> Capital gain or (loss). Attach Schedule D (Form 1041) . . . . .	<b>4</b>	
	<b>5</b> Rents, royalties, partnerships, other estates and trusts, etc. Attach Schedule E (Form 1040) . . . . .	<b>5</b>	
	<b>6</b> Farm income or (loss). Attach Schedule F (Form 1040) . . . . .	<b>6</b>	
	<b>7</b> Ordinary gain or (loss). Attach Form 4797 . . . . .	<b>7</b>	
	<b>8</b> Other income. List type and amount _____	<b>8</b>	
<b>9</b> <b>Total income.</b> Combine lines 1, 2a, and 3 through 8 . . . . . ▶	<b>9</b>		
<b>Deductions</b>	<b>10</b> Interest. Check if Form 4952 is attached ▶ <input type="checkbox"/>	<b>10</b>	
	<b>11</b> Taxes . . . . .	<b>11</b>	
	<b>12</b> Fiduciary fees . . . . .	<b>12</b>	
	<b>13</b> Charitable deduction (from Schedule A, line 7) . . . . .	<b>13</b>	
	<b>14</b> Attorney, accountant, and return preparer fees . . . . .	<b>14</b>	
	<b>15a</b> Other deductions <b>not</b> subject to the 2% floor (attach schedule) . . . . .	<b>15a</b>	
	<b>b</b> Allowable miscellaneous itemized deductions subject to the 2% floor . . . . .	<b>15b</b>	
	<b>16</b> Add lines 10 through 15b . . . . . ▶	<b>16</b>	
	<b>17</b> Adjusted total income or (loss). Subtract line 16 from line 9 . . . . . <b>17</b>		
	<b>18</b> Income distribution deduction (from Schedule B, line 15). Attach Schedules K-1 (Form 1041) . . . . .	<b>18</b>	
	<b>19</b> Estate tax deduction including certain generation-skipping taxes (attach computation) . . . . .	<b>19</b>	
<b>20</b> Exemption . . . . .	<b>20</b>		
<b>21</b> Add lines 18 through 20 . . . . . ▶	<b>21</b>		
<b>Tax and Payments</b>	<b>22</b> Taxable income. Subtract line 21 from line 17. If a loss, see instructions . . . . .	<b>22</b>	
	<b>23</b> <b>Total tax</b> (from Schedule G, line 7) . . . . .	<b>23</b>	
	<b>24</b> <b>Payments:</b> a 2011 estimated tax payments and amount applied from 2010 return . . . . .	<b>24a</b>	
	<b>b</b> Estimated tax payments allocated to beneficiaries (from Form 1041-T) . . . . .	<b>24b</b>	
	<b>c</b> Subtract line 24b from line 24a . . . . .	<b>24c</b>	
	<b>d</b> Tax paid with Form 7004 (see instructions) . . . . .	<b>24d</b>	
	<b>e</b> Federal income tax withheld. If any is from Form(s) 1099, check ▶ <input type="checkbox"/>	<b>24e</b>	
	Other payments: f Form 2439 _____ ; g Form 4136 _____ ; Total ▶	<b>24h</b>	
	<b>25</b> <b>Total payments.</b> Add lines 24c through 24e, and 24h . . . . . ▶	<b>25</b>	
	<b>26</b> Estimated tax penalty (see instructions) . . . . .	<b>26</b>	
<b>27</b> <b>Tax due.</b> If line 25 is smaller than the total of lines 23 and 26, enter amount owed . . . . .	<b>27</b>		
<b>28</b> <b>Overpayment.</b> If line 25 is larger than the total of lines 23 and 26, enter amount overpaid . . . . .	<b>28</b>		
<b>29</b> Amount of line 28 to be: <b>a Credited to 2012 estimated tax</b> ▶ ; <b>b Refunded</b> ▶	<b>29</b>		

**Sign Here** 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 taxpayer) is based on all information of which preparer has any knowledge.

<b>Paid Preparer Use Only</b>	Signature of fiduciary or officer representing fiduciary _____		Date _____	EIN of fiduciary if a financial institution _____	May the IRS discuss this return with the preparer shown below (see instr.)? <input type="checkbox"/> Yes <input type="checkbox"/> No
	Print/Type preparer's name _____		Preparer's signature _____	Date _____	
	Firm's name ▶ _____		Firm's EIN ▶ _____		
	Firm's address ▶ _____		Phone no. _____		

**Schedule A Charitable Deduction.** Do not complete for a simple trust or a pooled income fund.

<b>1</b>	Amounts paid or permanently set aside for charitable purposes from gross income (see instructions)	<b>1</b>		
<b>2</b>	Tax-exempt income allocable to charitable contributions (see instructions)	<b>2</b>		
<b>3</b>	Subtract line 2 from line 1	<b>3</b>		
<b>4</b>	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes	<b>4</b>		
<b>5</b>	Add lines 3 and 4	<b>5</b>		
<b>6</b>	Section 1202 exclusion allocable to capital gains paid or permanently set aside for charitable purposes (see instructions)	<b>6</b>		
<b>7</b>	<b>Charitable deduction.</b> Subtract line 6 from line 5. Enter here and on page 1, line 13	<b>7</b>		

**Schedule B Income Distribution Deduction**

<b>1</b>	Adjusted total income (see instructions)	<b>1</b>		
<b>2</b>	Adjusted tax-exempt interest	<b>2</b>		
<b>3</b>	Total net gain from Schedule D (Form 1041), line 15, column (1) (see instructions)	<b>3</b>		
<b>4</b>	Enter amount from Schedule A, line 4 (minus any allocable section 1202 exclusion)	<b>4</b>		
<b>5</b>	Capital gains for the tax year included on Schedule A, line 1 (see instructions)	<b>5</b>		
<b>6</b>	Enter any gain from page 1, line 4, as a negative number. If page 1, line 4, is a loss, enter the loss as a positive number	<b>6</b>		
<b>7</b>	<b>Distributable net income.</b> Combine lines 1 through 6. If zero or less, enter -0-	<b>7</b>		
<b>8</b>	If a complex trust, enter accounting income for the tax year as determined under the governing instrument and applicable local law	<b>8</b>		
<b>9</b>	Income required to be distributed currently	<b>9</b>		
<b>10</b>	Other amounts paid, credited, or otherwise required to be distributed	<b>10</b>		
<b>11</b>	Total distributions. Add lines 9 and 10. If greater than line 8, see instructions	<b>11</b>		
<b>12</b>	Enter the amount of tax-exempt income included on line 11	<b>12</b>		
<b>13</b>	Tentative income distribution deduction. Subtract line 12 from line 11	<b>13</b>		
<b>14</b>	Tentative income distribution deduction. Subtract line 2 from line 7. If zero or less, enter -0-	<b>14</b>		
<b>15</b>	<b>Income distribution deduction.</b> Enter the smaller of line 13 or line 14 here and on page 1, line 18	<b>15</b>		

**Schedule G Tax Computation** (see instructions)

<b>1</b>	<b>Tax:</b>	<b>a</b>	Tax on taxable income (see instructions)	<b>1a</b>			
	<b>b</b>	Tax on lump-sum distributions. Attach Form 4972	<b>1b</b>				
	<b>c</b>	Alternative minimum tax (from Schedule I (Form 1041), line 56)	<b>1c</b>				
	<b>d</b>	<b>Total.</b> Add lines 1a through 1c	<b>1d</b>				
<b>2a</b>	Foreign tax credit. Attach Form 1116	<b>2a</b>					
<b>b</b>	General business credit. Attach Form 3800	<b>2b</b>					
<b>c</b>	Credit for prior year minimum tax. Attach Form 8801	<b>2c</b>					
<b>d</b>	Bond credits. Attach Form 8912	<b>2d</b>					
<b>3</b>	<b>Total credits.</b> Add lines 2a through 2d	<b>3</b>					
<b>4</b>	Subtract line 3 from line 1d. If zero or less, enter -0-	<b>4</b>					
<b>5</b>	Recapture taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611	<b>5</b>					
<b>6</b>	Household employment taxes. Attach Schedule H (Form 1040)	<b>6</b>					
<b>7</b>	<b>Total tax.</b> Add lines 4 through 6. Enter here and on page 1, line 23	<b>7</b>					

**Other Information**

	Yes	No
<b>1</b> Did the estate or trust receive tax-exempt income? If "Yes," attach a computation of the allocation of expenses. Enter the amount of tax-exempt interest income and exempt-interest dividends ► \$		
<b>2</b> Did the estate or trust receive all or any part of the earnings (salary, wages, and other compensation) of any individual by reason of a contract assignment or similar arrangement?		
<b>3</b> At any time during calendar year 2011, did the estate or trust have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►		
<b>4</b> During the tax year, did the estate or trust receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the estate or trust may have to file Form 3520. See instructions		
<b>5</b> Did the estate or trust receive, or pay, any qualified residence interest on seller-provided financing? If "Yes," see the instructions for required attachment		
<b>6</b> If this is an estate or a complex trust making the section 663(b) election, check here (see instructions) ► <input type="checkbox"/>		
<b>7</b> To make a section 643(e)(3) election, attach Schedule D (Form 1041), and check here (see instructions) ► <input type="checkbox"/>		
<b>8</b> If the decedent's estate has been open for more than 2 years, attach an explanation for the delay in closing the estate, and check here ► <input type="checkbox"/>		
<b>9</b> Are any present or future trust beneficiaries skip persons? See instructions		

# Form 2 Wisconsin fiduciary income tax for estates or trusts

# 2011

Use  
BLACK INK

For 2011 or taxable year beginning

and ending

M M D D Y Y Y Y

M M D D Y Y Y Y

Note

DO NOT STAPLE

ESTATES ONLY – Legal last name		Legal first name		M.I.	Decedent's social security number	
TRUSTS ONLY – Legal name						
Name of personal representative, petitioner, or trustee						
Address of personal representative, petitioner, or trustee			City		State	Zip code
County of jurisdiction		Probate case number			Estate's/Trust's federal EIN	
Check if applicable <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address or name change					Check one	
Date trust or bankruptcy estate was created or date of decedent's death					<input type="checkbox"/> Electing small business trust	
If an estate, enter age of decedent at date of death					<input type="checkbox"/> Qualified funeral trust	
If this is a trust return, is the trust <input type="checkbox"/> Revocable or <input type="checkbox"/> Irrevocable?					<input type="checkbox"/> Bankruptcy estate	
If a trust, is the grantor a resident of Wisconsin? <input type="checkbox"/> Yes <input type="checkbox"/> No					<input type="checkbox"/> Inter vivos trust	
Has Form W706 been filed? <input type="checkbox"/> Yes <input type="checkbox"/> No					<input type="checkbox"/> Testamentary trust	
Special Conditions <input type="checkbox"/>					<input type="checkbox"/> Section 645 election	
Address where decedent lived at time of death					Zip code	
					<input type="checkbox"/> Decedent's estate	

Print numbers like this → 0 1 2 3 4 5 6 7 8 9

Not like this → Ø 1 4 7

NO COMMAS; NO CENTS

Paperclip check or money order here

1	Federal taxable income of fiduciary (see instructions)	1	_____	.00
2	Additions (from Schedule A or NR)	2	_____	.00
3	Add lines 1 and 2	3	_____	.00
4	Subtractions (from Schedule A or NR)	4	_____	.00
5	Wisconsin taxable income of fiduciary (subtract line 4 from line 3)	5	_____	.00
6a	Gross tax (see instructions, page 4)	6a	_____	.00
6b	ESBT (see instructions, page 4)	6b	_____	.00
7	Supplement to federal historic rehabilitation credit	7	_____	.00
8	Certain nonrefundable credits from line 6 of Schedule CR	8	_____	.00
9	Add credits on lines 7 and 8	9	_____	.00
10	Subtract line 9 from line 6a. If line 9 is larger than line 6a, fill in zero (0)	10	_____	.00
11	Alternative minimum tax. Enclose Schedule MT	11	_____	.00
12	Add lines 10 and 11	12	_____	.00
13	Other credits from Schedule CR, line 19	13	_____	.00
14	Net tax paid to another state. Enclose Schedule OS	14	_____	.00
15	Add credits on lines 13 and 14	15	_____	.00
16	Subtract line 15 from line 12. If line 15 is larger than line 12, enter zero (0)	16	_____	.00





**NO COMMAS; NO CENTS**

17	Enter amount from line 16 .....	17	_____	.00
18	Economic development surcharge. Enclose Schedule EDS .....	18	_____	.00
19	Recapture of investment credit (see instructions, page 6) .....	19	_____	.00
20	Add lines 17 through 19 .....	20	_____	.00
21	Wisconsin income tax withheld (see instructions) .....	21	_____	.00
22	2011 estimated payments and amount applied from 2010 return ...	22	_____	.00
23	Farmland preservation credit.   a Schedule FC, line 18 .....	23a	_____	.00
	b Schedule FC-A, line 13 .....	23b	_____	.00
24	Other credits from Schedule CR, line 29 .....	24	_____	.00
25	AMENDED RETURN ONLY – amount paid with the original return .	25	_____	.00
26	Add lines 21 through 25 .....	26	_____	.00
27	AMENDED RETURN ONLY – refund from original return less amount applied to 2012 estimated tax .....	27	_____	.00
28	Subtract line 27 from line 26 .....	28	_____	.00
29	If line 28 is larger than line 20, subtract line 20 from line 28 ..... AMOUNT OVERPAID	29	_____	.00
30	Amount of line 29 to be REFUNDED TO YOU .....	30	_____	.00
31	Amount of line 29 to be applied to your 2012 ESTIMATED TAX ....	31	_____	.00
32	If line 28 is less than line 20, subtract line 28 from line 20 ..... BALANCE DUE	32	_____	.00
33	Underpayment interest. Exception code – See Schedule U ► _____ Also include on line 32 (see instructions, page 7)	33	_____	.00



**Paper clip copies of federal Form 1041 and schedules to this return.**

**Also paper clip copies of Wisconsin Schedules 2K-1, NR, and WD (Form 2) and other documents, if required.**  
**A request for a closing certificate for fiduciaries must be made on Schedule CC. See instructions.**

*I, as fiduciary, declare under penalties of law that I have examined this return (including accompanying schedules, statements, and copy of federal income tax return) and to the best of my knowledge and belief it is true, correct, and complete.*

Your signature

Date

Daytime phone

(    )

 PERSON PREPARING RETURN (individual and firm) if other than the preceding signer  
 Name \_\_\_\_\_ Signature of preparer \_\_\_\_\_

Date

Daytime phone

(    )

Mail your return to:

Wisconsin Department of Revenue

For Department  
Use Only

C

- If making a payment or submitting  
Schedule CC to request a closing certificate.....PO Box 8918, Madison WI 53708-8918
- All other trusts and estates.....PO Box 8955, Madison WI 53708-8955




Name(s) shown on Form 2

Decedent's social security number

Estate's / Trust's FEIN

**SCHEDULE A – Additions and Subtractions**

{ Resident estates and trusts only. Part-year and nonresident estates and trusts must enclose Schedule NR. }

**ADDITIONS:**COL. 1-Distributable Income  
(Report on Schedule 2K-1)COL. 2  
Nondistributable Income

1. Adjustment to convert 2011 federal taxable income to the amount allowable for Wisconsin (Schedule B) . . . . .		.00
2. Interest (less related expenses) on state and municipal obligations . . . . .	.00	.00
3. Taxes from line 11 of federal Form 1041 . . . . .	.00	.00
4. Capital gain/loss adjustment (see instructions) . . . . .		.00
5. Other (specify) _____	.00	.00
6. Total additions (add lines 1 through 5). Enter the amount from COL. 2 on line 2 of Form 2 . . . . .	.00	.00

**SUBTRACTIONS:**

7. Adjustment to convert 2011 federal taxable income to the amount allowable for Wisconsin (Schedule B) . . . . .		.00
8. Interest (less related expenses) on obligations of the United States . . . . .	.00	.00
9. Capital gain/loss adjustment (see instructions) . . . . .		.00
10. Refunds of state and local taxes (see instructions) . . . . .	.00	.00
11. Other (specify) _____	.00	.00
12. Total subtractions (add lines 7 through 11). Enter the amount from COL. 2 on line 4 of Form 2 . . . . .	.00	.00

**SCHEDULE B – Adjustments to Convert 2011 Federal Taxable Income to the Amount Allowable for Wisconsin (see instructions on page 11)**

NATURE OF ADJUSTMENT – Explain fully on enclosed schedule.	Adjustments for 2011	
	COL. 1 – Distributable	COL. 2 – Nondistributable
1. TOTAL from enclosed schedule . . . . .	.00	.00

a. Enter total from distributable column on Wisconsin Schedule 2K-1, as appropriate.

b. If total in nondistributable column is a **positive number**, enter it on Schedule A, line 1.If total in nondistributable column is a **negative number**, enter it on Schedule A, line 7, as a positive number.

Note: The figure in the nondistributable column must be used by part-year and nonresident estates and trusts to complete Part I of Schedule NR.

**SCHEDULE C – Adjustments to Capital Gains/Losses Because Capital Assets Disposed of Had Different Basis for Wisconsin and Federal Income Tax Purposes**

1. Description of capital assets held ONE YEAR OR LESS and reason for difference in basis	A. Federal Adjusted Basis	B. Wisconsin Adjusted Basis	C. Difference
a. _____	.00	.00	.00
b. _____	.00	.00	.00
c. _____	.00	.00	.00
d. _____	.00	.00	.00
2. TOTAL – Combine amounts in column C. Fill in here and on line 4 of Wisconsin Schedule WD (Form 2) . . . . .			.00
3. Description of capital assets held MORE THAN ONE YEAR and reason for difference in basis	A. Federal Adjusted Basis	B. Wisconsin Adjusted Basis	C. Difference
a. _____	.00	.00	.00
b. _____	.00	.00	.00
c. _____	.00	.00	.00
d. _____	.00	.00	.00
4. TOTAL – Combine amounts in column C. Fill in here and on line 12 of Wisconsin Schedule WD (Form 2) . . . . .			.00

**Schedule K-1  
(Form 1041)**

Department of the Treasury  
Internal Revenue Service

**2011**

For calendar year 2011,  
or tax year beginning \_\_\_\_\_, 2011,  
and ending \_\_\_\_\_, 20 \_\_\_\_\_

**Beneficiary's Share of Income, Deductions, Credits, etc.**

► See back of form and instructions.

**Part I Information About the Estate or Trust**

**A** Estate's or trust's employer identification number

**B** Estate's or trust's name

**C** Fiduciary's name, address, city, state, and ZIP code

**D** ☐ Check if Form 1041-T was filed and enter the date it was filed  
\_\_\_\_\_

**E** ☐ Check if this is the final Form 1041 for the estate or trust

**Part II Information About the Beneficiary**

**F** Beneficiary's identifying number

**G** Beneficiary's name, address, city, state, and ZIP code

**H** ☐ Domestic beneficiary ☐ Foreign beneficiary

☐ Final K-1

☐ Amended K-1

661111  
OMB No. 1545-0092

**Part III Beneficiary's Share of Current Year Income, Deductions, Credits, and Other Items**

<b>1</b>	Interest income	<b>11</b>	Final year deductions
<b>2a</b>	Ordinary dividends		
<b>2b</b>	Qualified dividends		
<b>3</b>	Net short-term capital gain		
<b>4a</b>	Net long-term capital gain		
<b>4b</b>	28% rate gain	<b>12</b>	Alternative minimum tax adjustment
<b>4c</b>	Unrecaptured section 1250 gain		
<b>5</b>	Other portfolio and nonbusiness income		
<b>6</b>	Ordinary business income		
<b>7</b>	Net rental real estate income		
<b>8</b>	Other rental income	<b>13</b>	Credits and credit recapture
<b>9</b>	Directly apportioned deductions		
		<b>14</b>	Other information
<b>10</b>	Estate tax deduction		

\*See attached statement for additional information.

**Note.** A statement must be attached showing the beneficiary's share of income and directly apportioned deductions from each business, rental real estate, and other rental activity.

For IRS Use Only

This list identifies the codes used on Schedule K-1 for beneficiaries and provides summarized reporting information for beneficiaries who file Form 1040. For detailed reporting and filing information, see the Instructions for Beneficiary Filing Form 1040 and the instructions for your income tax return.

	<i>Report on</i>
<b>1. Interest income</b>	Form 1040, line 8a
<b>2a. Ordinary dividends</b>	Form 1040, line 9a
<b>2b. Qualified dividends</b>	Form 1040, line 9b
<b>3. Net short-term capital gain</b>	Schedule D, line 5
<b>4a. Net long-term capital gain</b>	Schedule D, line 12
<b>4b. 28% rate gain</b>	Line 4 of the worksheet for Schedule D, line 18
<b>4c. Unrecaptured section 1250 gain</b>	Line 11 of the worksheet for Schedule D, line 19
<b>5. Other portfolio and nonbusiness income</b>	Schedule E, line 33, column (f)
<b>6. Ordinary business income</b>	Schedule E, line 33, column (d) or (f)
<b>7. Net rental real estate income</b>	Schedule E, line 33, column (d) or (f)
<b>8. Other rental income</b>	Schedule E, line 33, column (d) or (f)
<b>9. Directly apportioned deductions</b>	
<i>Code</i>	
<b>A Depreciation</b>	Form 8582 or Schedule E, line 33, column (c) or (e)
<b>B Depletion</b>	Form 8582 or Schedule E, line 33, column (c) or (e)
<b>C Amortization</b>	Form 8582 or Schedule E, line 33, column (c) or (e)
<b>10. Estate tax deduction</b>	Schedule A, line 28
<b>11. Final year deductions</b>	
<b>A Excess deductions</b>	Schedule A, line 23
<b>B Short-term capital loss carryover</b>	Schedule D, line 5
<b>C Long-term capital loss carryover</b>	Schedule D, line 12; line 5 of the wksht. for Sch. D, line 18; and line 16 of the wksht. for Sch. D, line 19
<b>D Net operating loss carryover — regular tax</b>	Form 1040, line 21
<b>E Net operating loss carryover — minimum tax</b>	Form 6251, line 11

**12. Alternative minimum tax (AMT) items**

<i>Code</i>	<i>Report on</i>
<b>A</b> Adjustment for minimum tax purposes	Form 6251, line 15
<b>B</b> AMT adjustment attributable to qualified dividends	See the beneficiary's instructions and the instructions for Form 6251
<b>C</b> AMT adjustment attributable to net short-term capital gain	
<b>D</b> AMT adjustment attributable to net long-term capital gain	
<b>E</b> AMT adjustment attributable to unrecaptured section 1250 gain	
<b>F</b> AMT adjustment attributable to 28% rate gain	
<b>G</b> Accelerated depreciation	2012 Form 8801
<b>H</b> Depletion	
<b>I</b> Amortization	
<b>J</b> Exclusion items	2012 Form 8801

**13. Credits and credit recapture**

<b>A</b> Credit for estimated taxes	Form 1040, line 63
<b>B</b> Credit for backup withholding	Form 1040, line 62
<b>C</b> Low-income housing credit	See the beneficiary's instructions
<b>D</b> Rehabilitation credit and energy credit	
<b>E</b> Other qualifying investment credit	
<b>F</b> Work opportunity credit	
<b>G</b> Credit for small employer health insurance premiums	
<b>H</b> Alcohol and cellulosic biofuel fuels credit	
<b>I</b> Credit for increasing research activities	
<b>J</b> Renewable electricity, refined coal, and Indian coal production credit	
<b>K</b> Empowerment zone and renewal community employment credit	
<b>L</b> Indian employment credit	
<b>M</b> Orphan drug credit	
<b>N</b> Credit for employer-provided child care and facilities	
<b>O</b> Biodiesel and renewable diesel fuels credit	
<b>P</b> Nonconventional source fuel credit	
<b>Q</b> Credit to holders of tax credit bonds	
<b>R</b> Agricultural chemicals security credit	
<b>S</b> Energy efficient appliance credit	
<b>T</b> Credit for employer differential wage payments	
<b>U</b> Recapture of credits	

**14. Other information**

<b>A</b> Tax-exempt interest	Form 1040, line 8b
<b>B</b> Foreign taxes	Form 1040, line 47 or Sch. A, line 8
<b>C</b> Qualified production activities income	Form 8903, line 7, col. (b) (also see the beneficiary's instructions)
<b>D</b> Form W-2 wages	Form 8903, line 17
<b>E</b> Net investment income	Form 4952, line 4a
<b>F</b> Gross farm and fishing income	Schedule E, line 42
<b>G</b> Foreign trading gross receipts (IRC 942(a))	See the Instructions for Form 8873
<b>H</b> Other information	See the beneficiary's instructions

**Note.** If you are a beneficiary who does not file a Form 1040, see instructions for the type of income tax return you are filing.

**Beneficiary's Share  
of Income, Deductions, etc.****2011**Wisconsin Department  
of Revenue

For 2011 or taxable year beginning \_\_\_\_\_, 2011, and ending \_\_\_\_\_, 20\_\_\_\_

<b>Part I</b> Information About the Estate or Trust	<b>Part II</b> Information About the Beneficiary
A Estate's or trust's federal employer ID number	C Beneficiary's identifying number
B Estate's or trust's name, address, city, state, and ZIP code	D Beneficiary's name, address, city, state, and ZIP code

E Check applicable boxes: ☐ Final 2K-1 ☐ Amended 2K-1F ☐ Check if beneficiary is a nonresident and filed Form PW-2 to opt out of pass-through entity withholding.

<b>Part III</b> Beneficiary's Share of Current Year Income, Deductions, Credits, and Other Items			
(a) Distributive share items	(b) Federal amount	(c) Adjustment	(d) Wisconsin amount
1 Interest income			
2 Ordinary dividends			
3 Net short-term capital gain			
4a Net long-term capital gain			
4b Portion of the amount on line 4a, column (d) that is attributable to gain on the sale of farm assets			
5 Other portfolio income			
6 Ordinary business income			
7 Net rental real estate income			
8 Other rental income			
9 Directly apportioned deductions (list):			
10 Estate tax deduction			
11 Final year deductions (list):			
12 Alternative minimum tax adjustment (list):			

(a) Distributive share items	(b) Federal amount	(c) Adjustment	(d) Wisconsin amount
<b>13</b> Other information (list):			
<b>14</b> Related entity expenses:			
<b>a</b> Related entity expense addback .....		<b>14a</b>	
<b>b</b> Related entity expense allowable .....		<b>b</b>	
<b>15</b> Wisconsin credits:			
<b>a</b> Dairy and livestock farm investment credit .....		<b>15a</b>	
<b>b</b> Technology zone credit .....		<b>b</b>	
<b>c</b> Development zones credit .....		<b>c</b>	
<b>d</b> Angel investment credit .....		<b>d</b>	
<b>e</b> Early stage seed investment credit .....		<b>e</b>	
<b>f</b> Internet equipment credit .....		<b>f</b>	
<b>g</b> Economic development tax credit .....		<b>g</b>	
<b>h</b> Enterprise zone jobs credit .....		<b>h</b>	
<b>i</b> Dairy manufacturing facility investment credit .....		<b>i</b>	
<b>j</b> Meat processing facility investment credit .....		<b>j</b>	
<b>k</b> Dairy cooperatives credit .....		<b>k</b>	
<b>L</b> Film production services credit .....		<b>L</b>	
<b>m</b> Film production company investment credit .....		<b>m</b>	
<b>n</b> Manufacturing investment credit .....		<b>n</b>	
<b>o</b> Ethanol and biodiesel fuel pump credit .....		<b>o</b>	
<b>p</b> Jobs tax credit .....		<b>p</b>	
<b>q</b> Woody biomass harvesting and processing credit .....		<b>q</b>	
<b>r</b> Food processing plant and food warehouse investment credit .....		<b>r</b>	
<b>s</b> Postsecondary education credit .....		<b>s</b>	
<b>t</b> Water consumption credit .....		<b>t</b>	
<b>u</b> Farm asset owner credit .....		<b>u</b>	
<b>v</b> Community rehabilitation program credit .....		<b>v</b>	
<b>w</b> Supplement to federal historic rehabilitation credit .....		<b>w</b>	
<b>x</b> Health insurance risk-sharing plan assessments credit .....		<b>x</b>	
<b>y</b> Wisconsin tax withheld .....		<b>y</b>	

**STATE OF WISCONSIN, CIRCUIT COURT, ROCK COUNTY**

*For Official Use*

IN THE MATTER OF THE ESTATE OF

**Petition for Waiver of Fiduciary  
Income Tax Returns  
(Informal Administration)**

Case No. \_\_\_\_\_

The petitioner, personal representative for the above named estate, duly sworn on oath shows to the Court as follows:

1. The total "gross income" of the estate from all sources, as defined in Sec. 71.03(1), Wis. Stats., including, but not limited to, rental of real estate or personal property, dividends, royalties, annuities, life insurance and endowment contracts, interest, capital gains on sale of inventoried property, and business and partnership income, is less than \$600.00.
2. No real estate owned by the decedent and administered in this estate was sold or exchanged.
3. The Final Account of the personal representative includes the dollar amounts and descriptive entries for each schedule and has been filed with the Court or exhibited to the probate registrar or a deputy probate registrar of this Court.
4. The Inventory and all documents on file or exhibited disclose no income or asset of this estate for which the filing of a Fiduciary Income Tax Return with the State of Wisconsin, pursuant to Section 71.13(2) Wis. Stats., is required.

WHEREFORE, Petitioner prays that the Court waive filing of a Fiduciary Income Tax Return with the State of Wisconsin and the filing of a Closing Certificate for Fiduciaries with the Court.

Signature of personal representative
Name printed or typed
Subscribed and sworn to before me  on _____  _____ Notary Public  My commission expires: _____

Name of Attorney	
Address Vogel Law Firm, Ltd. 19 S. Austin Rd Janesville, WI 53548	
Telephone Number 608.754.4535	Bar Number

IN THE MATTER OF THE ESTATE OF

**Order on Petition for Waiver of  
Fiduciary Income Tax Returns**  
(Informal Administration)

Case No. \_\_\_\_\_

Pursuant to the Petition for Waiver of Fiduciary Income Tax Returns, and the Court being otherwise and fully advised in the premises,

**IT IS ORDERED**

- ☐ The Petition for Waiver of Fiduciary Income Tax Returns is denied.
- ☐ The filing of a Fiduciary Income Tax Return with the State of Wisconsin and the filing of the Closing Certificate for Fiduciaries with the Court, are hereby waived pursuant to Sec. 71.13(3), Wis. Stats.
- ☐ Other: \_\_\_\_\_

**BY THE COURT:**\_\_\_\_\_  
Circuit Court Judge/Circuit Court Commissioner/Probate Registrar\_\_\_\_\_  
Name Printed or Typed\_\_\_\_\_  
Date

Name of Attorney/Personal Representative

Attorney Michael W. Vogel

Address

Vogel Law Firm, Ltd.

19 S. Austin Rd

Janesville, WI 53548

Telephone Number

608.754.4535

Bar Number

1030377



## SCHEDULE

CC

Use  
BLACK INKRequest for a Closing Certificate  
for Fiduciaries

◆ Wisconsin Department of Revenue ◆

2011

DO NOT STAPLE

ESTATES ONLY – Legal last name		Legal first name		M.I.	Decedent's social security number
TRUSTS ONLY – Legal name					Estate's/Trust's federal EIN
Individual or firm to whom the closing certificate should be mailed			Attention or c/o		County of jurisdiction
Address					Probate case number
City		State	Zip code		Date of decedent's death (MM DD YYYY)

**PART I Information Required When Requesting a Closing Certificate for Estates**

Complete lines 1 through 11 and sign on page 2.

- Does the decedent have a will? ☐ Yes ☐ No (If Yes, enclose a copy)
- Type of probate ☐ Formal ☐ Informal ☐ Other \_\_\_\_\_
- If the decedent did not file tax returns for the 4 years prior to death, enter the year and the decedent's approximate income:  
20\_\_ \$\_\_\_\_\_, 20\_\_ \$\_\_\_\_\_, 20\_\_ \$\_\_\_\_\_, 20\_\_ \$\_\_\_\_\_
- Was the decedent contacted by the IRS and/or Wis. Dept. of Revenue in the last 3 years? ☐ Yes ☐ No  
If Yes, explain: \_\_\_\_\_
- Is the gross income of the estate less than \$600? ☐ Yes ☐ No
- Will a final Form 2 be filed at a later date? ☐ Yes ☐ No
- Is a certificate required by the court? ☐ Yes ☐ No See instructions.
- Was the decedent a resident of Wisconsin at the time of death? ☐ Yes ☐ No
- Did the decedent own an interest in any partnership, S corporation, LLC, or LLP? ☐ Yes ☐ No
- Enter the totals of each of the assets listed below.

**Probate Assets** (Enclose a copy of the inventory)**NO COMMAS; NO CENTS**

- |  |     |       |     |
|--|-----|-------|-----|
| a. Real Estate   | 10a | _____ | .00 |
| b. Stocks and Bonds  | 10b | _____ | .00 |
| c. Mortgages, Notes, and Cash                              | 10c | _____ | .00 |
| d. Land Contracts and Installment Sales                    | 10d | _____ | .00 |
| e. Insurance Payable to Estate                             | 10e | _____ | .00 |
| f. Annuities and Employee Death Benefits Payable to Estate | 10f | _____ | .00 |
| g. Other Miscellaneous Property                            | 10g | _____ | .00 |

**Nonprobate Assets**

- |  |     |       |     |
|--|-----|-------|-----|
| h. Jointly Owned Survivorship – Decedent's Share of Jointly Owned Property | 10h | _____ | .00 |
| i. Decedent's Share of Survivorship Marital Property                       | 10i | _____ | .00 |
| j. Insurance Payable to Named Beneficiaries                                | 10j | _____ | .00 |
| k. Transfers During Decedent's Life (gifts, etc.)                          | 10k | _____ | .00 |
| L. Other Assets  | 10L | _____ | .00 |

m. Wisconsin GROSS Estate (add lines 10a through 10L) 10m \_\_\_\_\_ .00

11. Fiduciary fees paid or payable to the personal representative or trustee 11 \_\_\_\_\_ .00

**NOTE**

Where any line from 10a through 10L is left blank, it will be deemed that **NONE** is the **DECLARATION** for that line by the person(s) signing Schedule CC.

DO NOT ATTACH SCHEDULE CC TO FORM 2 (see instructions)

**PART II Information Required When Requesting a Closing Certificate for Trusts**

Complete lines 1 through 9 and sign below.

1. Enclose a copy of the trust instrument with amendments (will/codicils) and copies of annual court accountings for past three years.
2. a. Name(s) of grantor(s) \_\_\_\_\_  
Social security number(s) \_\_\_\_\_  
b. Name(s) of grantee(s) \_\_\_\_\_  
Social security number(s) \_\_\_\_\_
3. On what date was the trust funded? \_\_\_\_\_
4. Was the trust contacted by the IRS and/or Wis. Dept. of Revenue in the last 3 years? ☐ Yes ☐ No If Yes, explain:  
\_\_\_\_\_  
\_\_\_\_\_
5. a. State reason for closing the trust \_\_\_\_\_  
\_\_\_\_\_  
b. If death of beneficiary, provide name of beneficiary, social security number, last address, and date of death.  
\_\_\_\_\_  
\_\_\_\_\_
6. Have you petitioned the court to close the trust? ☐ Yes ☐ No  
If Yes, enclose a copy of the petition.  
If No, explain why no petition has been filed \_\_\_\_\_  
\_\_\_\_\_
7. Has the trust made an annual accounting to a court? ☐ Yes ☐ No If No, explain \_\_\_\_\_  
\_\_\_\_\_
8. Is a certificate required by the court? ☐ Yes ☐ No See page 15 of the Form 2 instructions
9. Enter the total fair market value of each of the assets listed below that are held by the trust at the end of the year preceding the final year of the trust. (**NOTE** Where any line from 9a through 9f is left blank, it will be deemed that **NONE** is the **DECLARATION** for that line by the person(s) signing Schedule CC.)
 

a. Real Estate . . . . .	<b>9a</b>	.00
b. Stocks and Bonds . . . . .	<b>9b</b>	.00
c. Mortgages, Notes, and Cash . . . . .	<b>9c</b>	.00
d. Annuities and Life Insurance . . . . .	<b>9d</b>	.00
e. Interest in Partnerships, LLCs, and S Corporations . . . . .	<b>9e</b>	.00
f. Other Miscellaneous Property . . . . .	<b>9f</b>	.00
g. <b>Total Assets</b> (add lines 9a through 9f) . . . . .	<b>9g</b>	.00

I, as fiduciary, declare under penalties of law that I have examined this schedule (including accompanying documents and statements) and to the best of my knowledge and belief it is true, correct, and complete.

Your signature	Date	Daytime phone (      )
PERSON PREPARING FORM (Individual or firm) if other than the preceding signer		
Name	Signature of preparer	Date
		Daytime phone (      )

Mail to: Wisconsin Department of Revenue  
PO Box 8918  
Madison WI 53708-8918



WISCONSIN DEPARTMENT OF REVENUE  
MAIL STOP 5-144  
PO BOX 8906  
MADISON, WI 53708-8906

**State of Wisconsin** • DEPARTMENT OF REVENUE

AUDIT BUREAU  
2135 RIMROCK RD PO BOX 8906 MADISON, WI 53708-8906  
PHONE: 608-266-2772 FAX: 608-267-0834  
EMAIL: [estate@revenue.wi.gov](mailto:estate@revenue.wi.gov) WEBSITE: [www.revenue.wi.gov](http://www.revenue.wi.gov)

MICHAEL W. VOGEL  
VOGEL LAW FIRM, LTD.  
19 S AUSTIN RD  
JANESVILLE WI 53548-5819

July 17, 2012

Tax Account Number: [REDACTED]

Letter ID: L0693733920

Batch Index: 1738404352-357

CIRCUIT COURT  
FILED - PROBATE  
ROCK COUNTY, WI

AUG 10 2012

LOUIS X MINEAU  
REGISTER IN  
PROBATE

**CLOSING CERTIFICATE FOR FIDUCIARIES**

Estate of:

Date of Death:

[REDACTED]

5/5/2011

Probate Case Number:

COUNTY OF:

[REDACTED]

ROCK

Based on the tax returns filed, as required by sec. 71.13(2), Wis. Stats., the taxes determined thereon have been paid for the trust or the decedent and the decedent's estate only. This does not release a surviving spouse from any tax liability determined due by the surviving spouse on joint tax returns of the decedent and surviving spouse. The issuance of this certificate does not preclude the department from auditing or adjusting the returns when circumstances warrant under sec. 71.17(3), Wis. Stats.

Wendy J. Miller, Chief  
Central Audit Section

WJM:tch  
608-266-2772  
[estate@revenue.wi.gov](mailto:estate@revenue.wi.gov)

**Request for Copy of Tax Return**

OMB No. 1545-0429

► Request may be rejected if the form is incomplete or illegible.

**Tip.** You may be able to get your tax return or return information from other sources. If you had your tax return completed by a paid preparer, they should be able to provide you a copy of the return. The IRS can provide a **Tax Return Transcript** for many returns free of charge. The transcript provides most of the line entries from the original tax return and usually contains the information that a third party (such as a mortgage company) requires. See **Form 4506-T, Request for Transcript of Tax Return**, or you can quickly request transcripts by using our automated self-help service tools. Please visit us at [IRS.gov](http://IRS.gov) and click on "Order a Transcript" or call 1-800-908-9946.

<b>1a</b> Name shown on tax return. If a joint return, enter the name shown first.	<b>1b</b> First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)
<b>2a</b> If a joint return, enter spouse's name shown on tax return.	<b>2b</b> Second social security number or individual taxpayer identification number if joint tax return
<b>3</b> Current name, address (including apt., room, or suite no.), city, state, and ZIP code (see instructions)	
<b>4</b> Previous address shown on the last return filed if different from line 3 (see instructions)	
<b>5</b> If the tax return is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number.	

**Caution.** If the tax return is being mailed to a third party, ensure that you have filled in lines 6 and 7 before signing. Sign and date the form once you have filled in these lines. Completing these steps helps to protect your privacy. Once the IRS discloses your IRS return to the third party listed on line 5, the IRS has no control over what the third party does with the information. If you would like to limit the third party's authority to disclose your return information, you can specify this limitation in your written agreement with the third party.

**6 Tax return requested.** Form 1040, 1120, 941, etc. and all attachments as originally submitted to the IRS, including Form(s) W-2, schedules, or amended returns. Copies of Forms 1040, 1040A, and 1040EZ are generally available for 7 years from filing before they are destroyed by law. Other returns may be available for a longer period of time. Enter only one return number. If you need more than one type of return, you must complete another Form 4506. ► \_\_\_\_\_

**Note.** If the copies must be certified for court or administrative proceedings, check here ☐

**7 Year or period requested.** Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than eight years or periods, you must attach another Form 4506.

\_\_\_\_\_  
\_\_\_\_\_

<b>8 Fee.</b> There is a \$57 fee for each return requested. <b>Full payment must be included with your request or it will be rejected. Make your check or money order payable to "United States Treasury." Enter your SSN or EIN and "Form 4506 request" on your check or money order.</b>	
<b>a</b> Cost for each return . . . . .	\$ <b>\$57.00</b>
<b>b</b> Number of returns requested on line 7 . . . . .	
<b>c</b> Total cost. Multiply line 8a by line 8b . . . . .	\$

**9** If we cannot find the tax return, we will refund the fee. If the refund should go to the third party listed on line 5, check here ☐

**Caution.** Do not sign this form unless all applicable lines have been completed.

**Signature of taxpayer(s).** I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax return requested. If the request applies to a joint return, **either** husband or wife must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506 on behalf of the taxpayer. **Note.** For tax returns being sent to a third party, this form must be received within 120 days of the signature date.

	Phone number of taxpayer on line 1a or 2a
<b>Sign Here</b>	<div style="border-bottom: 1px solid black; margin-bottom: 5px;">Signature (see instructions)</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Date</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Title (if line 1a above is a corporation, partnership, estate, or trust)</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Spouse's signature</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Date</div>

Section references are to the Internal Revenue Code unless otherwise noted.

## What's New

The IRS has created a page on IRS.gov for information about Form 4506 and its instructions, at [www.irs.gov/form4506](http://www.irs.gov/form4506). Information about any recent developments affecting Form 4506, Form 4506T and Form 4506T-EZ will be posted on that page.

## General Instructions

**Caution.** Do not sign this form unless all applicable lines have been completed.

**Purpose of form.** Use Form 4506 to request a copy of your tax return. You can also designate (on line 5) a third party to receive the tax return.

**How long will it take?** It may take up to 60 calendar days for us to process your request.

**Tip.** Use Form 4506-T, Request for Transcript of Tax Return, to request tax return transcripts, tax account information, W-2 information, 1099 information, verification of non-filing, and record of account.

**Automated transcript request.** You can quickly request transcripts by using our automated self-help service tools. Please visit us at IRS.gov and click on "Order a Transcript" or call 1-800-908-9946.

**Where to file.** Attach payment and mail Form 4506 to the address below for the state you lived in, or the state your business was in, when that return was filed. There are two address charts: one for individual returns (Form 1040 series) and one for all other returns.

If you are requesting a return for more than one year and the chart below shows two different addresses, send your request to the address based on the address of your most recent return.

## Chart for individual returns (Form 1040 series)

If you filed an individual return and lived in:	Mail to the "Internal Revenue Service" at:
Alabama, Kentucky, Louisiana, Mississippi, Tennessee, Texas, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or A.P.O. or F.P.O. address	RAIVS Team Stop 6716 AUSC Austin, TX 73301
Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming	RAIVS Team Stop 37106 Fresno, CA 93888
Connecticut, Delaware, District of Columbia, Florida, Georgia, Maine, Maryland, Massachusetts, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia	RAIVS Team Stop 6705 P-6 Kansas City, MO 64999

## Chart for all other returns

If you lived in or your business was in:	Mail to the "Internal Revenue Service" at:
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, a foreign country, or A.P.O. or F.P.O. address	RAIVS Team P.O. Box 9941 Mail Stop 6734 Ogden, UT 84409
Connecticut, Delaware, District of Columbia, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Wisconsin	RAIVS Team P.O. Box 145500 Stop 2800 F Cincinnati, OH 45250

## Specific Instructions

**Line 1b.** Enter your employer identification number (EIN) if you are requesting a copy of a business return. Otherwise, enter the first social security number (SSN) or your individual taxpayer identification number (ITIN) shown on the return. For example, if you are requesting Form 1040 that includes Schedule C (Form 1040), enter your SSN.

**Line 3.** Enter your current address. If you use a P.O. box, please include it on this line 3.

**Line 4.** Enter the address shown on the last return filed if different from the address entered on line 3.

**Note.** If the address on Lines 3 and 4 are different and you have not changed your address with the IRS, file Form 8822, Change of Address.

**Signature and date.** Form 4506 must be signed and dated by the taxpayer listed on line 1a or 2a. If you completed line 5 requesting the return be sent to a third party, the IRS must receive Form 4506 within 120 days of the date signed by the taxpayer or it will be rejected. Ensure that all applicable lines are completed before signing.

**Individuals.** Copies of jointly filed tax returns may be furnished to either spouse. Only one signature is required. Sign Form 4506 exactly as your name appeared on the original return. If you changed your name, also sign your current name.

**Corporations.** Generally, Form 4506 can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer.

**Partnerships.** Generally, Form 4506 can be signed by any person who was a member of the partnership during any part of the tax period requested on line 7.

**All others.** See section 6103(e) if the taxpayer has died, is insolvent, is a dissolved corporation, or if a trustee, guardian, executor, receiver, or administrator is acting for the taxpayer.

**Documentation.** For entities other than individuals, you must attach the authorization document. For example, this could be the letter from the principal officer authorizing an employee of the corporation or the letters testamentary authorizing an individual to act for an estate.

**Signature by a representative.** A representative can sign Form 4506 for a taxpayer only if this authority has been specifically delegated to the representative on Form 2848, line 5. Form 2848 showing the delegation must be attached to Form 4506.

## Privacy Act and Paperwork Reduction Act

**Notice.** We ask for the information on this form to establish your right to gain access to the requested return(s) under the Internal Revenue Code. We need this information to properly identify the return(s) and respond to your request. If you request a copy of a tax return, sections 6103 and 6109 require you to provide this information, including your SSN or EIN, to process your request. If you do not provide this information, we may not be able to process your request. Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 4506 will vary depending on individual circumstances. The estimated average time is: **Learning about the law or the form**, 10 min.; **Preparing the form**, 16 min.; and **Copying, assembling, and sending the form to the IRS**, 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4506 simpler, we would be happy to hear from you. You can write to:

Internal Revenue Service  
Tax Products Coordinating Committee  
SE:W:CAR:MP:T:M:S  
1111 Constitution Ave. NW, IR-6526  
Washington, DC 20224.

Do not send the form to this address. Instead, see *Where to file* on this page.

# Request for Discharge From Personal Liability Under Internal Revenue Code Section 2204 or 6905

OMB No. 1545-0432  
For IRS Use Only

► See instructions on back.

Decedent's name		Date of death	Social security number
Requester's name		Kind of Tax <input type="checkbox"/> Income	
Title		<input type="checkbox"/> Gift	
Number, street, and room or suite no. (If a P.O. box, see instructions.)		<input type="checkbox"/> Estate	
City, town, or post office, state, and ZIP code		Daytime phone number	

## Tax Returns for Which Discharge From Personal Liability is Requested

Form Number	Tax Period Ended	SSN/EIN on Return	Name and Address Shown on Return	Service Center Where Filed	Date Filed

If applicable, provide the name of the decedent's spouse (surviving or deceased)	Spouse's social security number
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I have attached the items checked to help expedite action on my request.

- ☐ Copies of returns listed above.
- ☐ Copies of letters of administration or letters testamentary.
- ☐ Other (describe): .....

I request a discharge from personal liability for any deficiency for the kind of tax and periods shown above, as provided by section 2204 or 6905 of the Internal Revenue Code.

<b>Sign Here</b>	Under penalties of perjury, I declare that I have examined this request, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.	
	<input type="checkbox"/> I certify that I have never been assessed any penalties for civil fraud for any federal or state tax matter nor have I been charged with, indicted for, or convicted of fraud. If you cannot certify this statement, attach a detailed statement explaining the circumstances under which you were assessed a penalty, charged with, indicted for, or convicted of fraud.	
	Signature of requester	Date
		Identifying number

## Information and Instructions

### General Information

Ordinarily, the IRS has 3 years after an income tax, gift tax, or estate tax return has been filed to assess tax and demand payment of any deficiency. The executor representing a decedent's estate or a fiduciary of a decedent's trust may request a discharge from personal liability for the decedent's income, gift, and estate taxes. Nine months, or 6 months in the case of a fiduciary's request, after the IRS's receipt of the request for discharge or the earlier payment of any amount determined by the IRS to be owed, the executor or fiduciary will be discharged from personal liability for any deficiency in such tax thereafter found to be due. In certain instances where the date for payment of the estate tax has been extended, the IRS may require a bond as a condition for discharge.

An executor means the executor or administrator of a decedent, who was appointed, qualified, and acting within the United States.

### When To File

Do not file Form 5495 requesting a discharge from income or gift tax liability until after you file the tax returns listed on the front of this form. If you are requesting a discharge from personal liability for the estate tax, you may attach this form to Form 706, United States Estate (and Generation-Skipping Transfer) Tax Return, or you may file this form any time during the 3-year period following the date the Form 706 is filed. You must submit a separate request for discharge from personal liability for any tax returns filed after this Form 5495.

### Where To File

Send your request to the Internal Revenue Service Center where you filed the returns listed on the front of this form. If you are requesting taxes reported on multiple returns filed at different Service Centers, you must mail separate Forms 5495 to each Service Center to receive a discharge from liability for each type of tax. If an estate tax return was filed, file Form 5495 for all taxes at the address where the estate tax return was filed.

### What To File

This Form 5495 provides spaces for all information required to process a request for discharge from personal liability under IRC section 2204 or 6905. Attach to your request the information and documentation requested on Form 5495. If you are submitting this request with your estate tax return, you will not be required to provide an additional copy. If, however, this form is filed after Form 706, then a copy of pages 1-3 and Schedules A through I of Form 706 must be attached. If you are a fiduciary requesting discharge from personal liability under section 2204, check the "Other" box and include a copy of the trust instrument(s), a list of assets transferred from this decedent to the trust, and any other relevant information. If you prefer to use your own format, your written request must list the same information as requested on this form and include the applicable attachments.

### Privacy Act and Paperwork Reduction Act Notice.

We ask for the information on this form to carry out the Internal Revenue laws of the United States. We collect this information under the authority of Internal Revenue Code sections 2204 and 6905. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. This information is needed to determine eligibility for the requested discharge from personal liability. You are not required to request discharge from personal liability; however, if you do so you are required to provide the information requested on this form. Failure to provide the information may delay or prevent processing your request; providing false information may subject you to penalties. Section 6109 requires you to provide the requested taxpayer identification numbers.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103. However, section 6103 allows or requires the Internal Revenue Service to disclose or give such information to the Department of Justice for civil and criminal litigation; to cities, states, the District of Columbia, and U.S. commonwealths and possessions to administer their tax laws; and to other countries under a tax treaty. We may also disclose this information to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

The time needed to complete and file this form and related schedules will vary depending on individual circumstances. The estimated average times are:

**Recordkeeping** . . . . . 5 hr., 30 min.

**Learning about the law or the form** . . . . . 1 hr., 30 min.

**Preparing the form** . . . . . 4 hr., 27 min.

**Copying, assembling, and sending the form to the IRS** . . . . . 48 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the tax form to this address. Instead, see *Where To File*.