

## IOWA ESTATE TAX

### **451.1 Definitions.**

When used in this chapter:

1. The term "*federal estate tax*" means the tax imposed by the provisions of said federal estate tax Act referred to in subsection 2 of this section.
2. The term "*Federal Estate Tax Act*" means Title III of chapter 27 of the Acts of the Sixty-ninth Congress of the United States, first session, appearing in 44 Statutes at Large, chapter 27, or any amendments thereof.
3. The term "*gross estate*" means the gross estate as determined under the provisions of section 451.3.
4. "*Internal Revenue Code*" means the same as defined in section 422.3.
5. The term "*Iowa estate tax*" means the tax imposed by this chapter.
6. The term "*month*" means a calendar month.
7. The term "*net estate*" means the net estate as determined under the provisions of section 451.3.
8. The term "*personal representative*" means the executor of the will or administrator of the estate of the decedent, or if there is no such executor or administrator appointed, qualified and acting, then any person in actual or constructive possession of any property included in the gross estate of the decedent.

[C31, 35, § 7397-c1; C39, § **7397.01**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 451.1]

84 Acts, ch 1305, § 40; 88 Acts, ch 1028, § 42

### **451.2 Additional tax.**

An amount equal to the federal estate tax credit for state death taxes as allowed in the Internal Revenue Code is imposed upon every transfer of the net estate of every decedent, being a resident of, or owning property in this state.

1. Where decedent is a resident of Iowa and all property is located in Iowa, or is subject to the jurisdiction of the courts of Iowa, an amount equal to the total credit as allowed under federal statute shall be paid to the state of Iowa. Where decedent is a nonresident or where property is located outside the state of Iowa and not subject to jurisdiction of Iowa courts, the tax shall be prorated on the basis that the Iowa property bears to the total gross estate for federal tax purposes.
2. The total tax or the Iowa share of said tax shall be credited with the amount of any inheritance tax due the state of Iowa as provided in chapter 450.

[C31, 35, § 7397-c2; C39, § **7397.02**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 451.2]

88 Acts, ch 1028, § 43

### **451.3 Gross and net estate.**

The gross estate shall be the same as finally determined for federal estate tax and the net estate shall be the gross estate less deductions as permitted by federal law, in arriving at the net taxable federal estate, all

determined as provided in the Internal Revenue Code.

[C31, 35, § 7397-c3; C39, § **7397.03**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 451.3]

88 Acts, ch 1028, § 44

#### **451.4 Tax on net estate.**

The tax hereby imposed shall be upon the transfer of:

1. The total net estate of every decedent dying after April 12, 1929.
2. The net personal estate of every decedent dying after the twenty-sixth day of February, 1926, whose estate shall be open and pending in the courts of this state, or subject to the jurisdiction of such courts, at the effective date of this chapter, or whose estate shall or may become subject to administration in, or to the jurisdiction of, the courts of this state after the effective date of this chapter.

[C31, 35, § 7397-c4; C39, § **7397.04**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 451.4]

#### **451.5 Duty of personal representative.**

The personal representative of a decedent whose estate may be subject to the tax imposed by this chapter, shall file in the office of the director of revenue, on or before the last day of the ninth month after the death of the decedent, duplicate copies of the estate tax return provided for in the federal estate tax Act, and in like manner, duplicate copies of all supplemental or amended returns. The values of all items included in the gross estate, as shown by those returns, or supplemental or amended returns, shall be considered as the values of those items for the purposes of this chapter. In case of revaluation or correction of valuation of any of those items, either by supplemental or amended returns, or by the federal commissioner of internal revenue, or by an appellate tribunal by which the value is finally determined, the corrected values shall be considered as the values of those items for the purposes of this chapter.

[C31, 35, § 7397-c5; C39, § **7397.05**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 451.5]

89 Acts, ch 251, §37; 2003 Acts, ch 145, §286

#### **451.6 Payment of tax.**

The tax imposed by this chapter shall be paid by the personal representative to the department of revenue on or before the last day of the ninth month after the death of the decedent.

[C31, 35, § 7397-c6; C39, § **7397.06**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 451.6]

86 Acts, ch 1241, § 47; 2003 Acts, ch 145, §286

#### **451.7 Disposal of tax.**

The proceeds of this tax shall be paid into the general fund of the state.

[C31, 35, § 7397-c7; C39, § **7397.07**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 451.7]

#### **451.8 Claim for credit or refund.**

If the personal representative of a resident decedent shall have paid to the treasurer of the United States or to

a collector of internal revenue an estate tax under the provisions of said federal estate tax Act in respect of property included in the gross estate, determined as herein provided, and shall have claimed as credits against said federal estate tax a sum less than the maximum credits allowed by the provisions of said federal estate tax Act for any estate, inheritance, legacy or succession taxes actually paid to any state or territory of the United States, or to the District of Columbia, it shall be the personal representative's duty, with due diligence, to file in the bureau of internal revenue a claim for credit or refund for such amount, if any, as such estate shall be properly entitled to receive under the provisions of said federal estate tax Act and of this chapter.

[C31, 35, § 7397-c8; C39, § **7397.08**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 451.8]

#### **451.9 Appeal.**

If any claim for refund or credit, or any part thereof, shall be denied or disallowed by the commissioner of internal revenue, the personal representative, the director of revenue, or any person having an interest in said estate which may be adversely affected by such denial or disallowance, may apply to the judge of the court having jurisdiction of such estate, for an order directing such personal representative to take, perfect, and prosecute an appeal from the decision of the commissioner of internal revenue to such court or tribunal as may have jurisdiction of such matter, and, upon the granting of such order, the director of revenue may assist in the prosecution of such appeal. The judge of the court granting such order may make a reasonable allowance for attorney fees for the prosecution of such appeal, and direct the manner in which the same, together with any other costs or expenses which may be allowed by said court in connection therewith, shall be paid.

[C31, 35, § 7397-c9; C39, § **7397.09**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 451.9]

2003 Acts, ch 145, §286

#### **451.10 Effect of allowance.**

If any claim for credit or refund, or any part thereof, shall be finally determined in favor of such personal representative, any amount refunded or credited thereon shall inure to the benefit of such estate.

[C31, 35, § 7397-c10; C39, § **7397.10**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 451.10]

#### **451.11 Effect of disallowance.**

If any claim for credit or refund or any part thereof, shall be finally determined adversely to such personal representative, for any reason other than lack of diligence or other failure of duty on the personal representative's part, the amount so denied or disallowed, or so much thereof as shall have been paid to the department of revenue under the provisions of this chapter, shall, upon a claim duly filed with, and proper showing made to, the director of revenue, be refunded by the department of revenue to such personal representative, and shall inure to the benefit of such estate.

[C31, 35, § 7397-c11; C39, § **7397.11**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 451.11]

2003 Acts, ch 145, §286

#### **451.12 Applicable statutes penalties.**

All the provisions of chapter 450 with respect to the lien provisions of section 450.7, and the determination, imposition, payment, and collection of the tax imposed under that chapter, including penalty and interest upon delinquent taxes and the confidentiality of the tax return, are applicable to this chapter, except as they are in conflict with this chapter. The exceptions to the lien provisions found in section 450.7 do not apply to

this chapter. The penalty provisions set out in section 450.53 shall apply to a person in possession of assets to be reported for purposes of taxation who willfully makes a false or fraudulent return or willfully fails to pay the tax, supply the information, make, sign, or file the required return within the time required by law or a person who willfully attempts in any manner to evade taxes imposed by this chapter or avoid payment of the tax. The director of revenue shall adopt rules necessary for the enforcement of this chapter.

[C31, 35, § 7397-c12; C39, § **7397.12**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 451.12]

84 Acts, ch 1240, § 11; 92 Acts, 2nd Ex, ch 1001, § 248; 94 Acts, ch 1165, §34; 99 Acts, ch 151, §49, 89; 2003 Acts, ch 145, §286

#### **451.13 Invalidation.**

This chapter shall become void and of no effect in respect to the estates of persons who die after the effective date of the repeal of the federal estate tax Act, or of the provisions thereof providing for a credit of the taxes paid to the several states of the United States not exceeding eighty percent of the tax imposed by said federal estate tax Act, or after such federal estate tax Act, or the eighty percent credit provision thereof, may be declared, by the supreme court of the United States, to be void by reason of any contravention of the Constitution of the United States.

[C31, 35, § 7397-c13; C39, § **7397.13**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 451.13]