

450B.5 Ratio of applicable tax.

The amount of the additional inheritance tax imposed by section 450B.3 is the excess of what the tax imposed by chapter 450 would have been had the election to use the qualified use valuation under section 450B.2 not been made over the tax paid on the real estate based on qualified use valuation. However, if all of the real estate valued under section 450B.2 is not disposed of or does not cease to be used for the qualified use, the amount of the additional inheritance tax is the amount computed by applying the ratio that the real estate subject to the qualified use valuation which has been disposed of or which the qualified use ceases bears to all the real estate subject to the qualified use valuation passing to the taxpayer to the excess of the tax which would have been imposed by chapter 450 had the election under section 450B.2 not been made over the tax paid on the real estate based on qualified use valuation. However, the additional inheritance tax shall not be computed on a value greater than the fair market value of the qualified real estate at the time the disposition or cessation of the qualified use occurs.

[81 Acts, ch 147, § 16]