



For office use only

Generation-Skipping Transfer Tax Return for Terminations

For terminations made after May 25, 1990, and before January 1, 2010

		Calendar year	
Name of trust		EIN of trust	
Name of trustee filing return	Address of trustee (number and street or post office box)		
Name and title of officer representing trustee	City	State	ZIP code

1	Maximum state generation-skipping transfer tax credit allowable (see instructions).....		x 0.0275 =	1.	
Proration of the credit for state generation-skipping transfer tax (if the taxable termination included non-New York property, complete lines 2, 3, and 4; otherwise enter the amount from line 1 on line 5)					
2.	Gross value of New York property included in the taxable termination for federal generation-skipping transfer tax purposes (see instr.)				
3.	Gross value of all property included in the taxable termination for federal generation-skipping transfer tax purposes (see instr.)				
4.	Divide line 2 by line 3 (round the result to the fourth decimal place)			4.	
5.	New York State generation-skipping transfer tax (Multiply line 1 by line 4. If no entries are made on lines 2, 3, and 4, enter the amount from line 1)			5.	
6.	Estimated payment (see instructions)			6.	
7.	If line 6 is less than line 5, subtract line 6 from line 5. This is the amount you owe			7.	
8.	If line 6 is greater than line 5, subtract line 5 from line 6. This is the amount to be refunded to you			8.	

Attach a copy of your federal generation-skipping transfer tax return, Form 706-GS(T), along with all supporting schedules and documents.

Signature of trustee or officer representing trustee	Date	E-mail address of trustee or officer representing trustee
Signature of paid preparer	Date	E-mail address of paid preparer
Paid preparer's name	Paid preparer's address	

Instructions

General information

The New York State generation-skipping transfer (GST) tax is based on the credit for state GST taxes allowed against the federal GST tax prior to the changes made by the federal *Economic Growth and Tax Relief Reconciliation Act of 2001* (EGTRRA).

The New York State GST tax applies to taxable distributions and taxable terminations from a trust to a skip person, if the trust includes New York property. The tax does not apply to direct skips, and the distribution or termination has to occur at the same time as, and as a result of, the death of an individual. The New York State GST tax rate is 2.75% (5% of the federal GST tax rate of 55%, that was in effect in 2001). Use Form ET-500 for distributions and Form ET-501 for terminations.

Purpose of form

A trustee uses Form ET-501 to calculate and report the New York State GST tax due on taxable terminations of a trust. For New York State GST tax purposes, *taxable terminations* are terminations of a trust to a skip person, other than direct skips, that are subject to the federal GST tax (or would be except for the changes made by EGTRRA), that occur at the same time as, and as a result of, the death of an individual.

Payment of tax

New York State GST tax becomes due and payable April 15 of the year following the calendar year in which the termination occurs.

Make check or money order payable to **Commissioner of Taxation and Finance**. Write the trust's name, trust's employer identification number (EIN), and **Generation-skipping transfer tax** on the check or money order to help us process the payment.

Who must file

In general, the trustee of any trust that has a taxable termination after May 25, 1990, must file Form ET-501.

When to file

You must file Form ET-501 on or after January 1, but not later than April 15, of the year following the calendar year in which the termination occurs.

Instructions (continued)**Extensions of time to file**

If you know that you cannot meet the filing deadline, request an extension of time to file by writing to the following address:

NYS TAX DEPARTMENT
ESTATE TAX PROCESSING
W A HARRIMAN CAMPUS
ALBANY NY 12227

The time to file will be automatically extended six months if the letter is sent by April 15. **Note:** Filing a request for an extension of time to file does not extend the time for payment of tax. See *Payment of tax* on the front page.

Where to file

Mail this form and payment to:

**NYS GENERATION-SKIPPING TRANSFER TAX
PROCESSING CENTER
PO BOX 15167
ALBANY NY 12212-5167**

Private delivery services

If you choose, you may use a private delivery service, instead of the U.S. Postal Service, to mail in your form and tax payment. However, if, at a later date, you need to establish the date you filed or paid your tax, you cannot use the date recorded by a private delivery service unless you used a delivery service that has been designated by the U.S. Secretary of the Treasury or the Commissioner of Taxation and Finance. (Currently designated delivery services are listed in Publication 55, *Designated Private Delivery Services*. See *Need help?* below for information on obtaining forms and publications.) If you have used a designated private delivery service and need to establish the date you filed your form, contact that private delivery service for instructions on how to obtain written proof of the date your form was given to the delivery service for delivery. If you use any private delivery service, whether it is a designated service or not, send the forms covered by these instructions to: State Processing Center, 431C Broadway, Albany NY 12204-4836.

Specific instructions

You must submit a completed federal Form 706-GS(T), including all Schedules A, with your Form ET-501.

When calculating the inclusion ratio, it may be necessary to do a separate calculation for the New York State GST tax because it does not conform to the federal GST exemption amounts for transfers made to a trust after 2003. The trustee must calculate the inclusion ratio for each termination, and different inclusion ratios must be shown on separate federal Form 706-GS(T) Schedules A.

Use the following table for calculating the inclusion ratio for the New York State GST tax in place of the federal exemption amount:

Year of transfer	New York State numerator limit
2004	\$1,140,000
2005	\$1,170,000
2006	\$1,200,000
2007	\$1,250,000
2008	\$1,280,000
2009	\$1,330,000
2010	\$1,340,000

The trustee must attach a schedule showing how the taxable amount for New York State was computed.

Line 1 — In the first box, enter the total of the taxable amounts of the taxable terminations from the trust that occurred at the same time as, and as a result of, the death of an individual. Multiply this amount by the factor of .0275 and enter the result in the second box. If the taxable termination from the trust is wholly from New York property (see definition below), skip lines 2, 3, and 4 and enter the amount from line 1 on line 5.

Line 2 — If the taxable termination from the trust included non-New York property, enter the value (on the date of termination) of the New York property included in the termination.

The term *New York property* includes real property and tangible personal property having an actual situs in New York State and intangible personal property within the state employed in carrying on a trade, business, or occupation in New York State, that was transferred by the original transferor. *New York property* also includes all intangible personal property transferred by the original transferor, if the transferor was a resident of New York State at the time of the transfer of the property to the trust.

Line 3 — If an entry was made on line 2, enter the value (on the date of termination) of all property included in the generation-skipping transfer from the trust, including the value of the New York property.

Line 6 — Enter the amount of any estimated payments.

Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Manager of Document Management, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone (518) 457-5181.

Need help?

Internet access: www.nystax.gov
(for information, forms, and publications)



Fax-on-demand forms: 1 800 748-3676



Telephone assistance is available from 8:00 A.M. to 5:00 P.M. (eastern time), Monday through Friday.

Estate Tax Information Center: (518) 457-5387

For in-state callers without free long distance: 1 800 641-0004

To order forms and publications: (518) 457-5431

For in-state callers without free long distance: 1 800 462-8100

Text Telephone (TTY) Hotline (for persons with hearing and speech disabilities using a TTY): 1 800 634-2110



Persons with disabilities: In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, call the information center.