



2015 Legislation Amending the New York State Estate Tax

This memorandum explains the 2015 legislative amendments to the estate tax reform provisions enacted in 2014.

Chapter 59 of the Laws of 2015 (Part BB) amended the New York State Estate Tax to correct and clarify certain provisions enacted by Chapter 59 of the Laws of 2014 (Part X). (See [TSB-M-14\(6\)M](#), *New York State Estate Tax Reformed*.) The amendments:

- make the tax rate table permanent,
- clarify provisions related to the add-back of certain gifts, and
- disallow deductions relating to intangible personal property for estates of nonresident individuals.

These amendments are effective retroactive to April 1, 2014.

Tax tables made permanent

Section 952(b) of the Tax Law was amended to make the tax rate tables permanent. Prior to the amendment, the tables would have expired for estates of individuals with dates of death after March 31, 2015.

Add-back of taxable gifts

Section 954(a)(3) of the Tax Law was amended to clarify and provide that taxable gifts:

- do not include any gift of real or tangible property located outside of New York State at the time the gift was made, and
- will not be included in the computation of the New York gross estate for estates of individuals with a date of death on or after January 1, 2019.

Disallowance of federal deductions related to intangible personal property for estates of nonresidents

Section 960(b) of the Tax Law was amended to clarify that the computation of a New York taxable estate will not include any deduction allowable under the Internal Revenue Code related to any intangible personal property otherwise includible in the New York gross estate of a nonresident. This amendment applies to estates of nonresident individuals with dates of death on or after April 1, 2014.

If you have already filed Form ET-706, *New York State Estate Tax Return for an estate of an individual who died on or after April, 1, 2014, and on or before March 31, 2015*, and the estate's federal deductions on line 26 included deductions related to intangible property, you will need to file an amended return using Form ET-706. See the instructions for Form ET-706 for more information on filing an amended return. **Note:** When filing the amended return, be sure to

use the updated version of Form ET-706, which is posted on the Department's [Web site](#) (with the 706 underlined, **ET-706**).

Note: A TSB-M is an informational statement of existing department policies or of changes to the law, regulations, or department policies. It is accurate on the date issued. Subsequent changes in the law or regulations, judicial decisions, Tax Appeals Tribunal decisions, or changes in department policies could affect the validity of the information presented in a TSB-M.