

STATE OF HAWAII — DEPARTMENT OF TAXATION
HAWAII ESTATE TAX REPORT

TO BE FILED FOR DECEDENTS DYING AFTER JUNE 30, 1983 AND BEFORE JANUARY 1, 2005

Estate of _____ Probate No. _____

Actual Place of Death _____ Date of Death _____

Resident of _____ Social Security Number
of Decedent _____

COMPUTATION OF TAX	RESIDENT DECEDENT	1	Credit for State Death Taxes (From federal Form 706)		1	
		2	Estate or Inheritance Tax Actually Paid to Other State(s)	2		
		3	Gross Value of Property in Other State(s)	3		
		4	Value of Gross Estate(s) (From federal Form 706)	4		
		5	Percent of Property in Other State(s) (Line 3 divided by Line 4)	5	%	
		6	Prorated Credit (Line 1 multiplied by Line 5)	6		
		7	Deduction Allowed (Enter the smaller of Line 2 or Line 6)	7		
		8	Hawaii Estate Tax (Line 1 minus Line 7)	8		
NONRESIDENT DECEDENT		9	Credit for State Death Taxes (From federal Form 706)		9	
		10	Gross Value of Property in Hawaii (Identify on attached federal Form 706)	10		
		11	Value of Gross Estate (From federal Form 706)	11		
		12	Percentage of Property in Hawaii (Line 10 divided by Line 11)	12	%	
		13	Hawaii Estate Tax (Line 9 multiplied by Line 12)	13		
PENALTY AND INTEREST		14	Penalty: 5% per month or fraction thereof (Maximum of 25%)		14	
		15	Interest From _____ To _____		15	
RESIDENT		16	TOTAL TAX, PENALTY, AND INTEREST (LINE 8 PLUS LINES 14 & 15)		16	
		17	Amount paid with extension		17	
		18	Balance due or (refund) (Line 16 minus Line 17)		18	
NON-RESIDENT		19	TOTAL TAX, PENALTY, AND INTEREST (LINE 13 PLUS LINES 14 & 15)		19	
		20	Amount paid with extension		20	
		21	Balance due or (refund) (Line 19 minus Line 20)		21	

I declare, under the penalties set forth in section 231-36, HRS, that this report (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete report, made in good faith, for the taxable year stated, pursuant to the Hawaii Estate and Transfer Tax, Chapter 236D, HRS.

PLEASE SIGN HERE

Signature of Personal Representative, surviving spouse, etc. _____ Print Name _____

Address of Personal Representative, surviving spouse, etc. _____ Date _____

PAID PREPARER'S USE ONLY

Preparer's Signature and date _____ Preparer's identification number _____ Check if self-employed

Print Preparer's Name _____

Firm's name (or yours if self-employed), address, and Zip Code _____ Federal E.I. No. _____

Phone No. _____

GENERAL INSTRUCTIONS

1. Purpose of Form — Hawaii has neither an inheritance nor a gift tax. The Hawaii estate and transfer tax is based on the Federal State Death Tax Credit (FSDTC). For persons dying after June 30, 1983 and before January 1, 2005, this tax is imposed on the transfer of the taxable estate of every resident and the taxable estate located in Hawaii of every nonresident.

An estate is not taxable and no estate tax is required if a Federal Estate Tax Return (Form 706) is not required. *However*, the personal representative or person(s) in possession, control, or custody of the property **must** file a Request for Release (Form M-6A) with the State Department of Taxation if they wish to obtain a release, which indicates that the personal representative or person(s) in possession, control, or custody are free from taxes under chapter 236D, Hawaii Revised Statutes.

Generation-skipping transfers due to taxable distributions or taxable terminations made after June 30, 1994 and before January 1, 2005, are reported using the Hawaii Generation-Skipping Transfer Tax Report, Form M-6GS.

2. Who Should File — The Form M-6 should be filed by the person responsible for filing the Federal Estate Tax Return, such as the personal representative or a person in control, custody, or possession of the decedent's property.

3. Time to File — This report is due on or before the Federal Estate Tax Return (Form 706) is required to be filed, i.e., within 9 months after the date of the decedent's death, including any extension of time to file federal Form 706 and provided a copy of the approved federal extension is submitted to the Department of Taxation within 30 days of issuance.

4. Where to File — The completed report may be mailed to:

Hawaii Department of Taxation
Estate and Transfer Tax Section
P. O. Box 259
Honolulu, Hawaii 96809-0259

5. Payment of Tax — Due date of payment is the same as time for filing (item 3 of the Instructions). However, any tax due but not paid by the due date will incur interest from the due

date, regardless of any extension of time to file the report or pay the tax. Pay the amount shown on line 18 or 21 of this report. Attach a check or money order payable to "Hawaii State Tax Collector"; pay in U.S. dollars drawn on any U. S. bank. Do not send cash.

6. Estimated Tax Payment — Persons who will be filing Form M-6 after the filing deadline (9 months after the date of the decedent's death) because they have an approved federal extension may make an estimated tax payment prior to filing Form M-6 by submitting a copy of the approved federal extension with a cover letter and payment for the estimated tax due.

7. Federal Form 706 Requirement — The first page of the Federal Estate Tax Return (Form 706) must be filed with this report, when the decedent was a resident of Hawaii with *all* assets having situs within Hawaii.

A *complete* copy of the Federal Estate Tax Return (Form 706) (excluding appraisals) must be *filed* with this report when the decedent was a resident having real property or tangible personal property with situs both within and without Hawaii or when the decedent was a nonresident having real property or tangible personal property with situs within Hawaii.

8. Computation of Tax:

A. Resident Decedent:

- (1) with all assets within Hawaii is subject to the Hawaii Estate and Transfer Tax equal to the FSDTC.
- (2) where real property or tangible personal property has situs in another State, then the credit is reduced (if any) by the lesser of the FSDTC paid to that State or the gross value of the property in the other State over the federal gross estate multiplied by the FSDTC.

B. Nonresident: where real property or tangible personal property has situs in Hawaii, then the tax is the gross value of the property within Hawaii over the federal gross estate multiplied by the FSDTC.

9. Changes to Federal Estate Tax Return (Form 706) or Federal Estate Tax — The State Department of Taxation must be notified immediately if the federal Form 706 or Federal Estate Tax is amended or adjusted by any means, including a Federal Estate Tax audit, a refund claim, or an amendment to the Federal Estate Tax Return. A Hawaii amended report must be filed. Complete Form M-6, write "AMENDED" at the top of the report, and attach a true copy of the dated notice of change from the Internal Revenue Service or a true copy of those parts of the amended federal return as required by item 7 of these instructions.

10. Penalty and Interest —

- (a) *Penalty* for failure to file is equal to 5% of the tax due for each month or part of a month that the report is delinquent, up to a maximum of 25% of the tax payable.
- (b) *Interest* is computed on underpayment or nonpayment of tax at a rate of 2/3 of 1% a month or part of a month which begins to run 9 months after the date of death of the decedent, *regardless* of any extension to file the report or pay the tax.

11. Where to Get More Information — More information is available on the Department's website at www.state.hi.us/tax or you may contact the customer service staff of our Taxpayer Services Branch at:

Voice: 808-587-4242
1-800-222-3229 (Toll-Free)

Telephone for the Hearing Impaired:
808-587-1418
1-800-887-8974 (Toll-Free)

Fax: 808-587-1488

E-mail: Taxpayer.Services@hawaii.gov

Mail: Taxpayer Services Branch
P.O. Box 259
Honolulu, HI 96809-0259