

Form RI-706 - Instructions

GENERAL INSTRUCTIONS

Effective January 1, 2022, Form RI-706 replaces Forms RI-100 and RI-100A that were used in filing estate tax returns for decedents with dates of death on or after 1/1/2015

Please read instructions completely prior to filling out Form RI-706

Purpose of Form

Form RI-706 is to be used by the executor(s)/administrator(s)/personal representative(s) of a decedent to determine the Rhode Island estate tax due under R.I. Gen. Laws

Which Estate Must File

Form RI-706 must be completed and filed by the executor(s)/administrator(s)/personal representative(s) of every decedent with property and/or other assets in Rhode Island.

Multiple Executor(s)/Administrator(s)/Personal representative(s)

If the estate has more than one executor, administrator, or personal representative, enter “Multiple – see attached” in the “Executor/personal rep/admin’s first name” field, and attach a separate sheet including all the information required under Part 3 for the executor/administrator/personal representative including the full name, full address, social security number, relationship (if personal representative) and capacity (if executor or administrator) for each individual.

Additional Guidance from the Internal Revenue Service

Form RI-706 is modeled after Federal Form 706. For guidance in completing Form RI-706, refer to the following documents from the Internal Revenue Service website.

Federal Form 706: <http://www.irs.gov/pub/irs-pdf/f706.pdf>

Federal Form 706 Instructions: <http://www.irs.gov/pub/irs-pdf/i706.pdf>

Federal Publication 559: <http://www.irs.gov/pub/irs-pdf/p559.pdf>

STEP BY STEP INSTRUCTIONS FOR COMPLETING FORM RI-706

Step 1:

All filers: Start by completing the header section on page 1 of the form. Be sure to fill in ALL fields and check all checkboxes that apply. Any fields not completed may cause delays in processing the return.

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Step 2:

If your Gross Estate is **less than \$1,300,000**, fill out page 4, **Part 6 – Recapitulation, lines 1 through 12 only**.

Carry the amount from page 4, Part 6 - Recapitulation, line 12 to page 1, Part 1- Net Taxable Estate, line 1.

Skip lines 2 through 10 on page 1, Part 1- Net Taxable Estate

Complete the rest of page 1, Part 1 – Net Taxable Estate proceed to part 2, part 3 & signatures on page 2.

If your Gross Estate is **equal to or greater than \$1,300,000**, fill out page 4, **Part 6 – Recapitulation** and all subsequent schedules. Provide supporting documentation for all schedules.

Carry amount on Part 6, line 12 to page 1, line 1

Proceed to complete the rest of the return

- If you are electing to use the Alternate Value amounts, you must complete both the Alternate Value column and the Value at Date of Death column.
- If you are not electing to use Alternate Value amounts, you should only complete the Date of Death column.
- NOTE: You can only elect one valuation method. You cannot use the Alternate Value method for some assets, and the Value at Date of Death for other assets.

DUE DATE

When and Where to File:

Form RI-706 is due with payment within nine (9) months following the decedent's date of death.

Make checks payable to: RI Division of Taxation.

Mail forms and checks to: RI Division of Taxation
Estate Tax Section
One Capitol Hill
Providence, RI 02908-5800

Extension of Time:

A request for an automatic six-month extension of time to file Form RI-706 should be filed by using **Form RI-4768**. This form may be found on the RI Division of Taxation's website at: <https://tax.ri.gov/forms/individual-tax-forms/estate-tax-forms>. A copy of the estate's Federal request for extension (IRS Form 4768) should accompany Form RI-4768 if applicable.

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Interest and Penalty:

Interest shall be charged from the time the tax is due without regard to any extension of time for filing at the rate of 18% per annum through December 31, 2022 and 12% per annum starting on January 1, 2023.

Penalty shall be charged at a rate of 0.5% per month to a maximum of 25% from the time the tax is due unless the tax is paid on or before the due date of the return.

LINE BY LINE INSTRUCTIONS

Part 1 – Net Taxable Estate

- Line 1 – Enter the Total gross estate less exclusion from page 4, Part 6, line 12.
If this amount is less than \$1,300,000, skip lines 2 through 10 and continue to line 11.
Otherwise, continue to line 2.
- Line 2 – Enter the amount of allowable deductions from page 4, Part 6, line 22
- Line 3 – Net taxable estate. Subtract line 2 from line 1.
- Line 4 – Exclusion amount. The exclusion amount is \$60,000.
- Line 5 – Adjusted taxable estate. Subtract line 4 from line 3.
- Line 6 – Using the Rhode Island Tax Computation Schedule on page 21 calculate the Rhode Island Estate Tax.
- Line 7 – Enter the applicable credit amount for the decedent's date of death using the Credit Chart on page 22.
- Line 8 – Rhode Island Tax Due. Subtract line 7 from line 6. If zero or less, enter \$0.00.
- Line 9 – Enter the estate's Rhode Island Apportionment from page 2, Part 4, line 4.
- Line 10 – Tax Payable to Rhode Island. Multiply line 8 by line 9.
- Line 11 – A \$50 filing fee is due for each filing.
- Line 12 – Total Amount Due. Add lines 10 and 11.
- Line 13 – Extension Payments. Enter the total amounts of any payments made using Form RI-4768.
- Line 14 – Other Payments. Enter the amount of any other payments made for this estate tax return.
- Line 15 – Total Payments. Add line 13 and 14.
- Line 16 – AMOUNT DUE. If line 12 is more than line 15, subtract line 15 from line 12. This is the amount owed with this return.
- Line 17 – REFUND DUE. If line 15 is more than line 12, subtract line 12 from line 15. This is the amount overpaid.

Part 2 – Marital Status

Enter the name, social security number and date of death of the decedent's spouse, if applicable. Check the box with the decedent's marital status at the time of death.

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Part 3 – Executor/Personal Representative/Administrator and Preparer Information

Complete this part by entering the name, address, and other information for the Executor/Personal Representative/Administrator and Preparer.

If the estate has more than one executor, administrator, or personal representative, enter “Multiple – see attached” in the “Executor/personal rep/admin’s first name” field, and attach a separate sheet including all of the information required under Part 3 for the executor/administrator/personal representative including the full name, full address, social security number, relationship (if personal representative) and capacity (if executor or administrator) for each individual.

Part 4 – Computation of Tax – Decedent Domiciled in Rhode Island

Line 1 – Enter the Rhode Island estate tax from page 1, Part 1, line 8.

Line 2 – Enter the total gross estate less exclusion from page 4, Part 6, line 12.

Line 3 - Rhode Island Gross Estate

For a decedent domiciled in Rhode Island: Enter the amount of Rhode Island Assets excluding non-Rhode Island real and tangible property.

For a decedent non-domiciled in Rhode Island: Enter the amount of Rhode Island real and tangible property.

Line 4 – Determine the percentage of which the Rhode Island gross estate is of the federal gross estate. Divide line 3 by line 2. Carry to four decimal places.

Signature Area

The executor/personal representative/administrator must sign and date the return being filed for the decedent.

The preparer must also sign and date the return, as well as provide a PTIN number and check the applicable box(es).

Part 5 – General Information

Answer all of the general information questions as they pertain to the decedent and the estate.

Part 6 – Recapitulation

Complete lines 1 through 9 using the amounts calculated from the applicable schedules.

Line 10 – Add the amounts from lines 1 through 9.

Line 11 – Enter the amounts calculate on Schedule U.

Line 12 – Total gross estate less exclusion. Subtract line 11 from line 10. Enter here and on page 1, Part 1, line 1.

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- If the gross estate is less than the state of Rhode Island’s published threshold, stop here. Do not complete lines 13 through 22. Proceed to instructions listed under Part 1 above.
- If the gross estate is equal to or greater than the state of Rhode Island’s published threshold, continue to line 13.

Complete lines 13 through 15 using the amounts calculated from the applicable schedules.

Line 16 - Add the amounts from lines 13 through 15.

Line 17 – Enter the allowable amount of deductions from line 16.

Complete lines 18 through 21 using the amounts calculated from the applicable schedules.

Line 22. Total allowable deductions. Add lines 17 through 21. Enter here and on page 1, Part 1, line 2.

REQUIRED ATTACHMENTS

The signed Form RI-706 must be accompanied by:

- 1) A copy of the death certificate
- 2) A check for the filing fee in the amount of \$50.00 if the fee was not previously paid
- 3) A signed copy of Federal Form 706, if the estate is required to file, whether or not tax is due.
- 4) A copy of the approved federal extension (if applicable).
- 5) A copy of the approved Rhode Island extension Form RI-4768 (if applicable).
- 6) A check in the amount of the tax due (if applicable).

ADDITIONAL FORMS

Form T-77 – Discharge of Lien Form

Form T-77 must be filed along with Form RI-706 if the decedent had any interest in real estate located in Rhode Island. **It MUST be filed in triplicate.** The description of the real estate must be stated as the tax assessor’s description. This description is found on the property tax bill issued by the city or town.

“Late of” is the city/town for the decedent’s legal residence (domicile) at the time of death.

Form T-79 – Estate Tax Waiver Form

Form T-79 must be filed along with Form RI-706 if the decedent had any interest in a Rhode Island security. Examples of Rhode Island securities requiring a Waiver are Rhode Island incorporated stock, Rhode Island state and municipal bonds and mutual funds organized as business trusts that do business in Rhode Island. **It MUST be filed in duplicate.**

- **Any forms not properly completed will not be processed**
- **Forms T-77 and T-79 must be typed and without errors**
- **A processing fee may be charged for corrective discharges**

Revised
01/2023