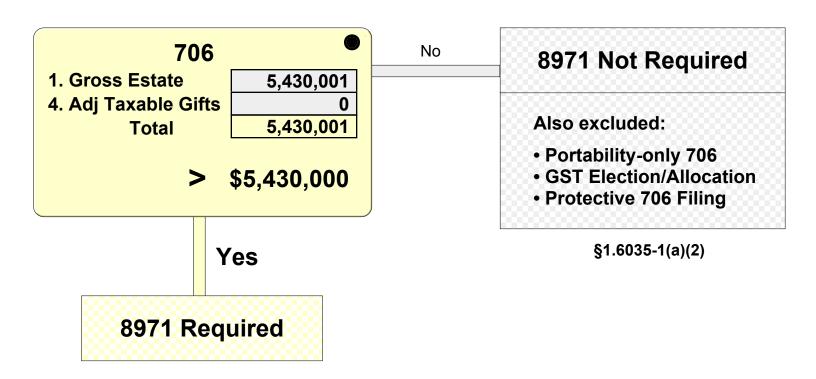
1 Who Must File



* 2014: \$5,340,000 2015: \$5,430,000 2016: \$5,450,000

Date of death

01/01/2015

Basic Exclusion*

5,430,000

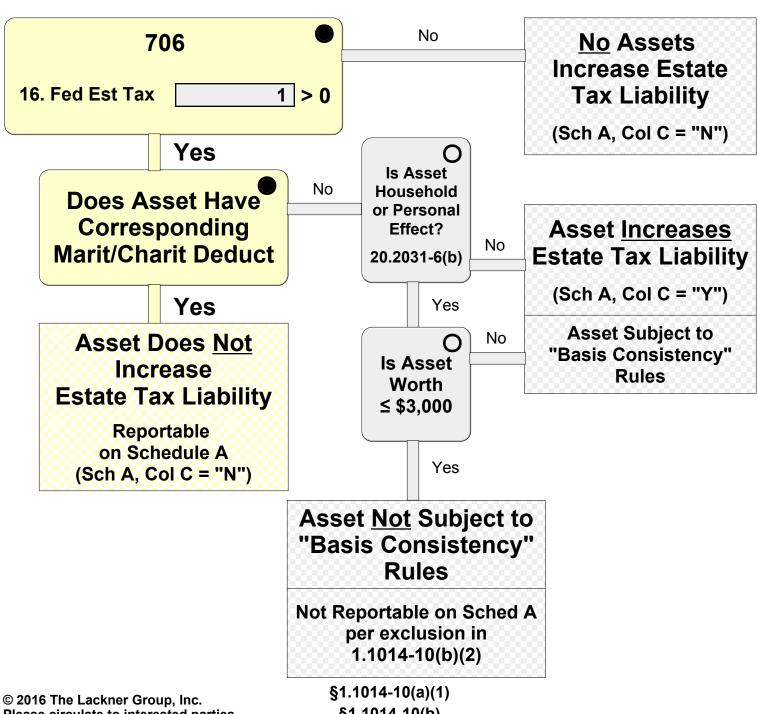
§1.6035-1(a)(1)

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8971

Asset Increases Estate Tax Liability

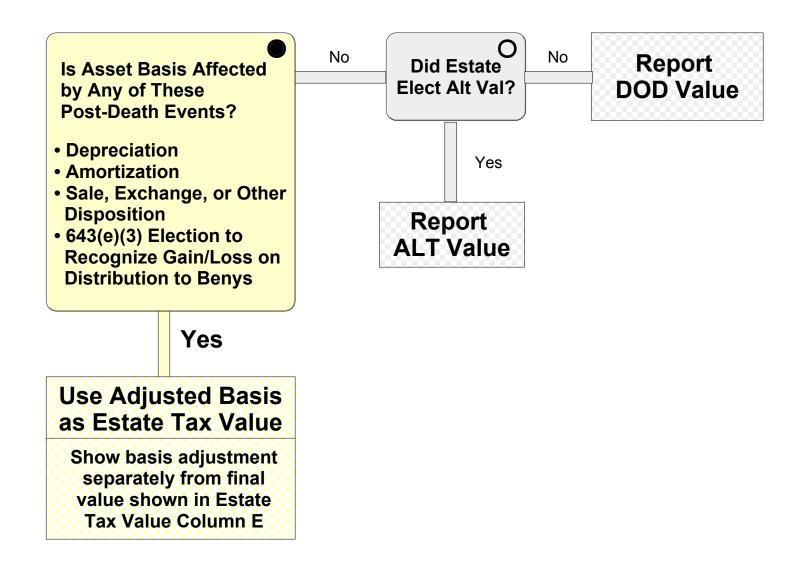
("Basis Consistency")



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§1.1014-10(b)

3 Estate Tax Value



§1.1014-10(a)(2)

4 Final Value

Does value meet any of the following?

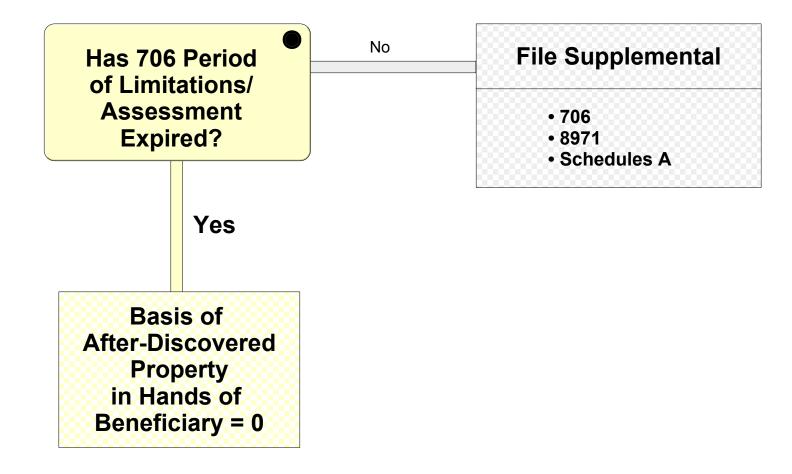
- Reported on 706 for which assessment period expired (and not timely contested by IRS)
- Determined by IRS once assessment period expired (and not timely contested by taxpayer)
- Determined in an agreement that is binding on all parties
- Determined by a court

Yes

Use That Value

§1.1014-10(c)(1)

5 After-Discovered or Omitted Property



6 What Property to Include

Does property
consist of any
of the following?

• Cash⁽¹⁾
• IRD
• Tangible ≤ \$3,000
• Sold⁽²⁾

This property
is excluded

Yes

Do not report
this excluded
property
on Schedule A.

⁽¹⁾Other than coins or paper bills with numismatic value

(2)Or otherwise disposed of in a transaction in which capital gain or loss is recognized

§1.6035-1(b)

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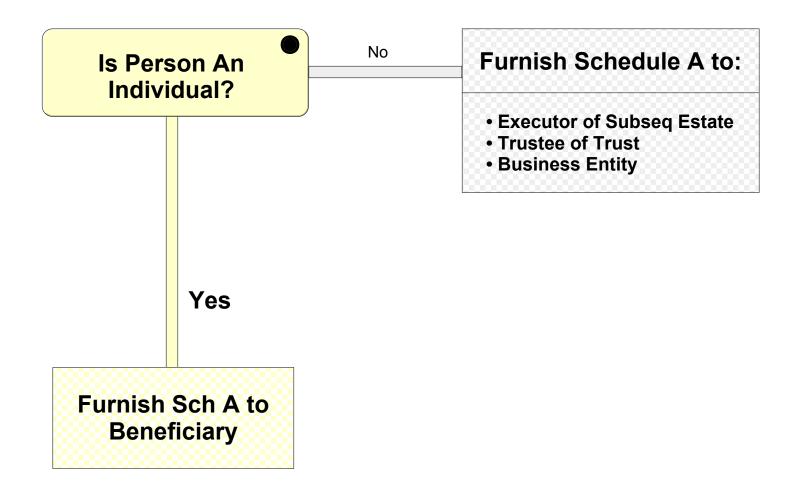
Report Other Property

on Schedule A

7 Beneficiary Defined

Is person any of the following: Recipient Life Tenant Remainderman Contingent Beneficiary Yes Report on 8971

8 Beneficiary Not an Individual



§1.6035-1(c)(2)

9 Beneficiary Not Determined

No

Has Executor determined what property will be used to satisfy interests of each beneficiary? Yes **Prepare Schedule A** Accordingly Example **Apple Estate Tax Value** \$100,000 Beny A 40,000 **Apple Inc** Fractional Int 40% Beny B 35,000 Apple Inc Fractional Int 35% Beny C 25,000 Apple Inc Fractional Int 25%

"Duplicate Reporting"

Report on Schedule A
100% of the property that
Executor *could* use
to satisfy beneficiaries'
interests *

Beny A Apple Inc	100,000
Beny B Apple Inc	100,000
Beny C Apple Inc	100,000

* 8971 Instructions: should file Proposed Regulations: may file

Proposed Regulations probably supersede the earlier Instructions.

§1.6035-1(b)(3)

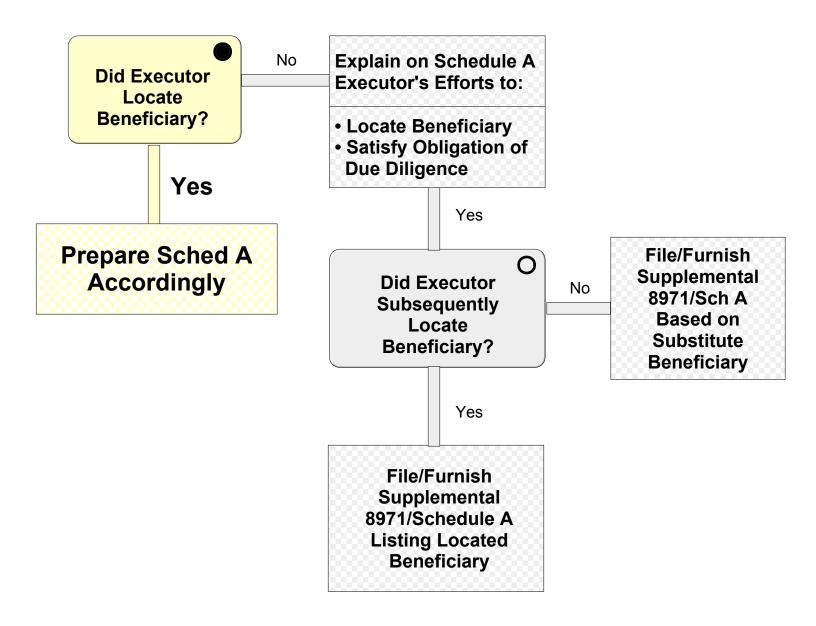
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3/13/2016

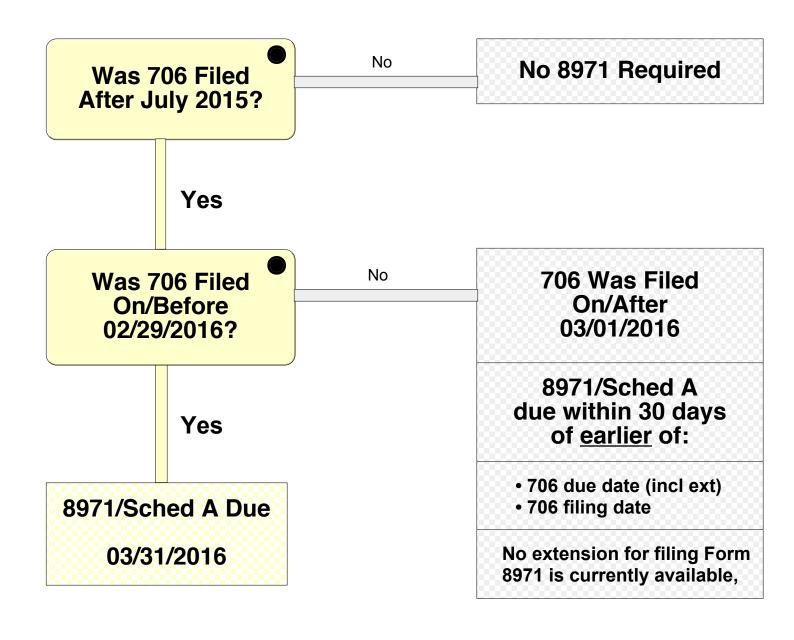
10

Beneficiary Not Located



§1.6035-1(c)(4)

11 When to File



§1.6035-1(d)

12 Supplemental Filing

Did any of the following occur?

- New property discovered
- Property value changed
- Change in identity of beneficiary to whom property is to be distributed, because of:
 - Death
 - Disclaimer
 - Bankruptcy
 - Beneficiary located (or not)
 - Other circumstances

Yes

- File a supplemental 8971 with the IRS within 30 days of change
- Furnish a supplemental Schedule A to each affected beneficiary
- Report only changes on Form 8971 and Schedule A

No

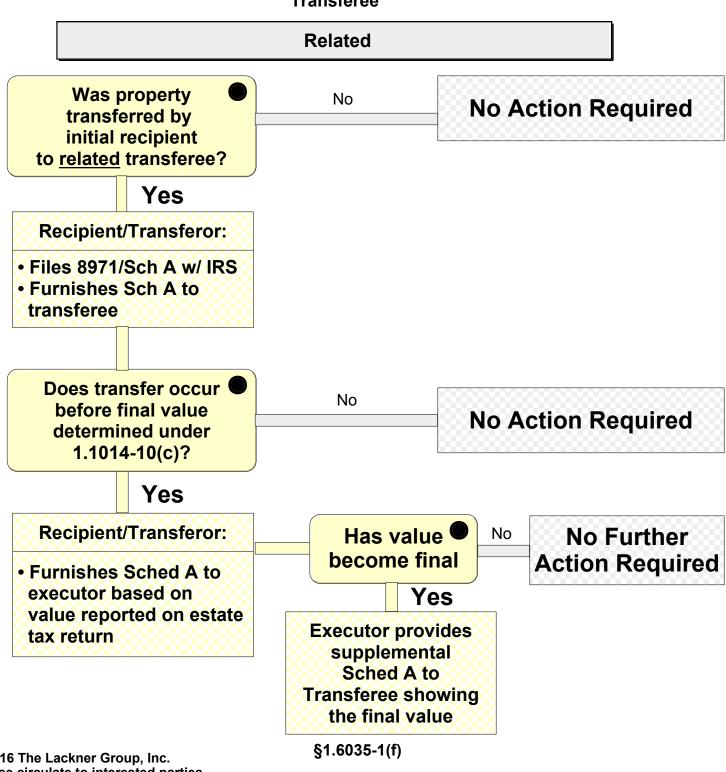
No Action Required

§1.6035-1(e)

13

Subsequent Transfers

Transferee



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