

Place QR Code Here

# HAWAII GENERATION-SKIPPING TRANSFER TAX RETURN FOR CALENDAR YEAR 2018

(For generation-skipping transfers after December 31, 2017)
READ INSTRUCTIONS BEFORE COMPLETING RETURN

			AMENDED Return (Attach Sch AMD)								
	Name (Skip person distributee or trust)  Social Security						Numb	ber			
•		NAME XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX									
<ul> <li>PRINT OR TYPE</li> </ul>	Name and title of person filing return  Federal Employe						er Ide	ntificatio	n Numb	 er	
Ţ	NAME AND TITLE OF PERSON FILING RETURN XXXXXXXXXXXXXXXXXX 12-3456789										
0			ddress of person filing return (Number and Street, including apartment num								
₩.		-	NG ADDRESS OF PERSON FILING RETURN XXXXXXXXXX				ΧΧΧ	XXXXX	XXXXX	XXXXX	
• PF			or post office, State and Postal/ZIP code								
_	CITY STATE AND POSTAL CODE XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX									XXXXX	
	Type of federal Generation-Skipping Transfer (GST) Tax Return filed:							Form 706-GS(T)			
		1	Enter the taxable amount from the 2018 federal Form 706-GS(D), line 5 or 2018 federal Form								
		•	706-GS(T), Schedule A, line 6					9999	99999	99.00	
		2									
		_	multiply line 1 by the result of 2.25% multiplied by the inclusion ratio (from federal Form								
			706-GS(T), Schedule A, line 7)					99999	99999	99.00	
	-	3	Total amount of taxable transfers subject to the Hawaii GST tax					9999	99999	99 00	
	×	4								99.00	
	-	5	Divide line 3 by line 4 (compute to three decimal places)							0.999	
VAT 30 NOITATII GMOO	ō	6	Multiply line 2 by line 5 (round to the nearest dollar)					9999		99.00	
	<u> </u>	Ū	Note: If any property is located in states other than Hawaii, complete lines 7 through 11,								
	Ě		otherwise go to line 13								
	COMPUTA	7	Enter the taxable amount subject to the GST tax imposed by				_				
			another state(s)	7	99999	999999.00					
		8	Enter the total amount of taxable transfers subject to the				-				
'			federal GST tax	8	99999	999999.00					
		9	Divide line 7 by line 8 (compute to three decimal places)	9	99999	999999.00	-				
		10	Multiply line 6 by line 9 (round to the nearest dollar)	10		999999.00	-				
		11	Enter the total GST taxes paid to another state(s)	11	99999	999999.00	-				
		12	Enter the lesser of line 10 or 11 (allowable credit for GST taxes page 1)	id to	another st	ate(s)	12	99999	99999	99.00	
		13						9999999999.00			
	IALTY	14	Penalty					9999			
	ND REST				15	99999	99999	99.00			
		16	Total tax, penalty, and interest (add lines 13, 14, and 15)					99999	99999	99.00	
	× ĺ	17	· ·					99999	99999	99.00	
l i	TAX	18	Balance due or (refund) (line 16 minus line 17)					99999	99999	99.00	
		19	Amount paid					• 9999999999.00			
		DECLARATION									
	l doola	oro ur		nvina	cohodulos or	statomonts) has be	on ov	aminad by	, mo and	to the	
		are, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the of my knowledge and belief, is a true, correct, and complete return, made in good faith, pursuant to the Estate and Generation-Skipping Transfer Tax, Chapter 236E,									
		•	Declaration of preparer is based on all information of which preparer has any knowledge.						,	,	
		_									
	EASE IGN							12-12-2018			
Н	ERE	Signature of Distributee, Trustee, or Authorized Representative						Date			
		Prep	Proportio					Cla			
		Sigr	Signature and date					0011	eck if -employ	ed 🕶	
PAID		Print Preparer's ▶ PREPARER NAME XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX			XXX.	X	omploy	×			
PREPARER USE ONLY		S FIRM NAME XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX						 a			
55.		1:5	olf ampleted)		E.I. No.	- 22-2233	, , , ;	_			

address, and Postal/Zip Code ADDRESS XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX Phone No. > (999) 999-9999

# GENERAL INSTRUCTIONS

(NOTE: References to "married" and "spouse" are also references to "in a civil union" and "civil union partner," respectively.)

# **Changes You Should Note**

Act 27, Session Laws of Hawaii (SLH) 2018, conforms the Hawaii Estate and Generation-Skipping Transfer Tax Law to the Internal Revenue Code (IRC) as amended as of December 31, 2017 with the exception of the excludable amount of \$5,490,000. The exclusion amount of \$5,490,000.00 is set forth for the decedent in chapter 11 of the IRC as amended as of December 21, 2017.

**NOTE:** For transfers before January 26, 2012, use Form M-6GS (Rev. 2010)

**NOTE:** References to the federal Generation Skipping Transfer Tax means the tax as determined under federal law as it read on December 31. 2017.

1. Purpose of Form — Section 236E-17, Hawaii Revised Statutes, provides for a state GST tax. The tax is imposed on all generation-skipping transfers of property in Hawaii or property from a resident trust. The tax is due on a GST (other than a direct skip) that occurs at the same time as, or as a result of, the death of an individual. Property subject to Hawaii GST tax includes all real and personal property subject to the federal GST tax.

A credit is allowed for GST taxes paid to another state. A GST is exempt from Hawaii's GST tax if the GST is exempt from the GST tax imposed by another state. The exemption must specifically reference Hawaii, or must contain a reciprocal provision under which the transfers would otherwise be subject to the jurisdiction of that state. The amount of the tax due is credited with the lesser of (1) the amount of the tax paid to the other state; or (2) an amount computed by multiplying the Hawaii GST tax by a fraction, the numerator of which is the taxable transfer subject to the GST tax paid to the other state, and the denominator of which is the total amount of the taxable transfers subject to the federal GST tax.

- 2. Who Must File —The Form M-6GS is filed by the person(s) responsible, or who would be responsible, for filing the federal GST tax return.
- 3. When to File Form M-6GS must be filed by April 15th of the year following the calendar year of the decedent's death. An automatic sixmonth extension to file the return will be granted if an extension has been granted by the Internal Revenue Service (IRS). If the date for filing Form 706-GS(D) or Form 706-GS(T) has been extended by the IRS, Form M-6GS will be due on the date that is specified by the IRS. An IRSapproved copy of federal Form 7004 must be submitted with Form M-6GS. If a request for extension has been denied by the IRS, there will be no penalty assessed if Form M-6GS is filed within the time specified by the IRS. Attach a copy of federal Form 7004 showing the date on which the return may be filed without penalty.

An extension of time to file is not an extension of time to pay the tax. Any request for an extension of time to file Form M-6GS must be accompanied by payment of the tax. Interest will be owed

on any additional amount of tax over the amount paid with the extension to file.

- **4.** Where to File —The completed return is mailed to the Hawaii Department of Taxation, P. O. Box 259, Honolulu, HI 96809-0259.
- **5. Payment of Tax** Due date of payment is the same as time for filing. 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 return. For taxable distributions, the GST tax is paid by the transferee; in the case of a taxable termination or a direct skip from a trust, the tax is paid by the trustee. For a direct skip other than a direct skip from a trust, the transferor is liable for paying the tax.
- **6. Amount Paid with Extension** Persons who will be filing Form M-6GS after the filing deadline (April 15th after the year of the decedent's death) because they have an extension, must make a tax payment prior to filing Form M-6GS by submitting a copy of the extension filed with the IRS, Form VP-2, and payment for the taxes due. Include this amount on line 17.
- 7. Federal Form Requirement A complete true copy of the appropriate federal Generation-Skipping Tax Return Form 706-GS(D)(Rev. August 2013) or Form 706-GS(T)(Rev. November 2013) must be filed with this return. Complete federal Form 706-GS(D)(Rev. August 2013) through line 7, or federal Form 706-GS(T)(Rev. November 2013) through line 10. The federal GST tax is to be determined under federal law as it read on December 21, 2017.
- 8. Amended Return An amended return must be filed for any changes to Form M-6GS. Check the box at the top of page 1 to indicate that it is an amended return. Complete Form M-6GS with all of the corrected information and attach Schedule AMD, Explanation of Changes on Amended Return, to the return. Also, attach all schedules, forms, and attachments required to file a complete return. Attach any federal Form 706-GS(D)(Rev. August 2013) or 706-GS(T)(Rev. November 2013) schedules affected by the corrections or changes.

An amended return must be filed anytime Form M-6GS needs an adjustment. In the case of property located in states other than Hawaii, an amended Form M-6GS must be filed when the tax paid to other states changes. Interest and/or penalties paid to other states for delinquent tax payments cannot be included on line 11.

## 9. 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) Penalty for failure to pay after filing timely report is 20% of the tax unpaid within 60 days of the prescribed due date.
- (c) Interest at the rate of 2/3 of 1% per month or part of a month shall be assessed on unpaid taxes and penalties after the due date (nine months

after the date of the decedent's death), whether or not that first calendar day falls on a Saturday, Sunday, or legal holiday.

# **SPECIFIC INSTRUCTIONS**

Name — Enter the name of the skip person distributee or the trust.

**Social Security Number** — For skip person distributees who are individuals, enter the distributee's social security number, otherwise leave blank.

Federal Employer Identification Number (FEIN) — Enter the FEIN of the trust distributee or trust.

Name and Title of Person Filing Return — If the skip person distributee is a trust, enter the trustee's name. If the skip person distributee is a minor or is under some disability that precludes the individual from filing the return, enter the name of the person who is legally responsible for conducting the affairs of the distributee, such as a parent or guardian, also, include the title or relationship to the distributee.

**Address** — Enter the mailing address of the person filing the return.

**Type of Federal Return Filed** — Check the appropriate box. Be sure to attach a complete true copy of the appropriate federal return to Form M-6GS.

Complete lines 7 through 11 ONLY if there is property located in states other than Hawaii.

**Line 7** — Enter the appropriate taxable amount:

- A. Resident, enter the taxable amount of the transferred or distributed property located outside of Hawaii subject to the GST tax imposed by another state(s) (includes intangible and tangible property with a situs outside Hawaii).
- B. Nonresident, enter the taxable amount of the transferred or distributed property <u>less</u> the value of any interest in Hawaii real and tangible personal property located in Hawaii subject to the GST tax imposed by another state(s). Include the amount of intangible property with a business situs in Hawaii. (Identify Hawaii property on federal Form 706-GS(D) or 706-GS(T)).
- **Line 8** Enter the total amount of taxable transfers subject to the federal GST tax.
- **Line 11** Enter the total of all GST taxes actually paid to any state other than Hawaii in respect of any property subject to the GST tax.
- Line 12 Compare lines 10 and 11 and enter the lesser amount. This is the allowable credit for GST taxes paid to another state(s).
- **Line 17** Attach an approved copy of federal Form 7004.
- **Line 19** Pay the amount shown. 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.