



For office use only

Generation-Skipping Transfer Tax Return for Terminations

For terminations made after May 25, 1990, and before January 1, 2011

Form header section with fields for Calendar year, Name of trust, EIN of trust, Name of trustee filing return, Address of trustee, Name and title of officer representing trustee, City, State, ZIP code.

Main calculation table with 8 rows and 4 columns. Row 1: Maximum state generation-skipping transfer tax credit allowable. Row 2: Proration of the credit for state generation-skipping transfer tax. Row 3: Gross value of New York property included. Row 4: Gross value of all property included. Row 5: Divide line 2 by line 3. Row 6: New York State generation-skipping transfer tax. Row 7: Estimated payment. Row 8: Amount to be refunded to you.

Attach a copy of your federal generation-skipping transfer tax return, Form 706-GS(T), along with all supporting schedules and documents.

Signature and contact information section with fields for trustee/officer and preparer details.

Instructions

General information

The New York State generation-skipping transfer (GST) tax is based on the credit for state GST taxes allowed against the federal GST tax prior to the changes made by the federal Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA).

The New York State GST tax applies to taxable distributions and taxable terminations from a trust to a skip person, if the trust includes New York property. The distribution or termination has to occur at the same time as, and as a result of, the death of an individual.

Purpose of form

A trustee uses Form ET-501 to calculate and report the New York State GST tax due on taxable terminations of a trust. For New York State GST tax purposes, taxable terminations are terminations:

- of a trust to a skip person (other than direct skips);
subject to the federal GST tax (or would be except for the changes made by EGTRRA); and
that occur at the same time as, and as a result of, the death of an individual.

Payment of tax

New York State GST tax becomes due and payable April 15 of the year following the calendar year in which the termination occurs.

Make the check or money order payable to Commissioner of Taxation and Finance. Write the trust's name, trust's employer identification number (EIN), and Generation-skipping transfer tax on the check or money order to help us process the payment.

Who must file

In general, the trustee of any trust that has a taxable termination after May 25, 1990, must file Form ET-501.

When to file

You must file Form ET-501 on or after January 1, but not later than April 15, of the year following the calendar year in which the termination occurs.

**Instructions (continued)****Extensions of time to file**

If you know that you cannot meet the filing deadline, request an extension of time to file by writing to the following address:

**NYS TAX DEPARTMENT  
ESTATE TAX PROCESSING  
W A HARRIMAN CAMPUS  
ALBANY NY 12227**

The time to file will be automatically extended six months if the letter is sent by April 15. **Note:** Filing a request for an extension of time to file does not extend the time for payment of tax. See *Payment of tax* on the front page.

**Where to file**

Mail this form and payment to:

**NYS GENERATION-SKIPPING TRANSFER TAX  
PROCESSING CENTER  
PO BOX 15167  
ALBANY NY 12212-5167**

**Private delivery services**

If you choose, you may use a private delivery service, instead of the U.S. Postal Service, to mail in your form and tax payment. However, if, at a later date, you need to establish the date you filed or paid your tax, you cannot use the date recorded by a private delivery service unless you used a delivery service that has been designated by the U.S. Secretary of the Treasury or the Commissioner of Taxation and Finance. (Currently designated delivery services are listed in Publication 55, *Designated Private Delivery Services*. See *Need help?* below for information on obtaining forms and publications.) If you have used a designated private delivery service and need to establish the date you filed your form, contact that private delivery service for instructions on how to obtain written proof of the date your form was given to the delivery service for delivery. If you use any private delivery service, whether it is a designated service or not, send the forms covered by these instructions to: State Processing Center, 431C Broadway, Albany NY 12204-4836.

**Specific instructions**

You must submit a completed federal Form 706-GS(T), including all Schedules A, with your Form ET-501. In the absence of a federal GST tax on terminations made in 2010, use an earlier revision date of federal Form 706-GS(T).

When calculating the inclusion ratio, it may be necessary to do a separate calculation for the New York State GST tax because it does not conform to the federal GST exemption amounts for transfers made to a trust after 2003. The trustee must calculate the inclusion ratio for each termination, and different inclusion ratios must be shown on separate federal Form 706-GS(T) Schedules A.

Use the following table for calculating the inclusion ratio for the New York State GST tax in place of the federal exemption amount:

Year of transfer	New York State numerator limit
2004	\$1,140,000
2005	\$1,170,000
2006	\$1,200,000
2007	\$1,250,000
2008	\$1,280,000
2009	\$1,330,000
2010	\$1,340,000

The trustee must attach a schedule showing how the taxable amount for New York State was computed.

**Line 1** — In the first box, enter the total of the taxable amounts of the taxable terminations from the trust that occurred at the same time as, and as a result of, the death of an individual. Multiply this amount by the factor of .0275 and enter the result in the second box. If the taxable termination from the trust is wholly from New York property (see definition below), skip lines 2, 3, and 4 and enter the amount from line 1 on line 5.

**Line 2** — If the taxable termination from the trust included non-New York property, enter the value (on the date of termination) of the New York property included in the termination.

The term *New York property* includes real property and tangible personal property having a physical location in New York State and intangible personal property within the state employed in carrying on a trade, business, or occupation in New York State, that was transferred by the original transferor. *New York property* also includes all intangible personal property transferred by the original transferor, if the transferor was a resident of New York State at the time of the transfer of the property to the trust.

**Line 3** — If an entry was made on line 2, enter the value (on the date of termination) of all property included in the generation-skipping transfer from the trust, including the value of the New York property.

**Line 6** — Enter the amount of any estimated payments.

**Paid preparer's responsibilities**

Under the law, all paid preparers must sign and complete the paid preparer section of the return. Paid preparers may be subject to civil and/or criminal sanctions if they fail to complete this section in full.

When completing this section, you must enter your New York tax preparer registration identification number (NYTPRIN) if you are required to have one. Also, you must enter your federal preparer tax identification number (PTIN) if you have one; if not, you must enter your social security number.

**Privacy notification**

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Manager of Document Management, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone (518) 457-5181.

**Need help?**

**Internet access: [www.tax.ny.gov](http://www.tax.ny.gov)**  
(for information, forms, and publications)



**Estate Tax Information Center:** (518) 457-5387

To order forms and publications: (518) 457-5431



**Text Telephone (TTY) Hotline**  
(for persons with hearing and speech disabilities using a TTY): (518) 485-5082