



## **Generation-Skipping Transfer Tax Repealed**

This TSB-M explains that the New York State Generation-Skipping Transfer Tax has been repealed for distributions and terminations after March 31, 2014.

Chapter 59 of the Laws of 2014, Part X, repealed the generation-skipping transfer tax imposed under Article 26-B of the Tax Law effective April 1, 2014. As a result, the New York State generation-skipping transfer tax no longer applies to any distributions or terminations made after March 31, 2014.

Form ET-500, *Generation-Skipping Transfer Tax Return for Distributions*, and Form ET-501, *Generation-Skipping Transfer Tax Return for Terminations*, must be filed for any taxable distributions and terminations made from January 1, 2014, through March 31, 2014. To be taxable for New York State purposes, the distribution or termination must have occurred at the same time as, and as a result of, the death of an individual. These returns must be filed on or after January 1, 2015, but not later than April 15, 2015.

**NOTE:** A TSB-M is an informational statement of existing department policies or of changes to the law, regulations, or department policies. It is accurate on the date issued. Subsequent changes in the law or regulations, judicial decisions, Tax Appeals Tribunal decisions, or changes in department policies could affect the validity of the information presented in a TSB-M.