



# Department of Taxation and Finance

## Important

The information concerning the Estate Tax in this TSB-M is no longer current and is provided only for historical purposes.

For the most up-to-date information, see [Estate tax](#).

The TSB-M begins on page 2 below.

New York State Department of Taxation and Finance  
**Taxpayer Services Division**  
**Technical Services Bureau**

TSB-M-79 (2.1)  
Estate and Gift Tax  
May 25, 1984

Subject: Interest allowed and paid on overpayments of estate tax

This memorandum amends TSB-M-79(2), dated February 23, 1979,  
which should be retained for other items of information and law.

Chapter 916, Laws of 1982 changed the law for interest allowed and paid on and after January 15, 1983 on overpayments of estate tax. Chapter 916 enacted subsection (k) of Section 962, Article 26, and repealed paragraph (b) of subsection 1 of Section 249-z, Article 10-C.

If a temporary (estimated) payment of tax equal to 80 percent of the tax as finally determined by the Surrogate is made within six months from the decedent's date of death and the balance is paid within nine months from the date of death, no interest is charged or collected.

Where a temporary payment of tax has been made prior to assessment (prior to an Order by the Surrogate fixing tax) resulting in an overpayment of tax, the amount of interest to be paid on the overpayment will be computed, and compounded daily, from the date of the final determination of the Surrogate to a date (determined by the Tax Commission) within 30 days of the refund check at the rate(s) in effect for the dates the tax remains overpaid. The rate of interest used in computing the amount of interest to be paid on overpayments of estate tax is set by the State Tax Commission in accordance with paragraph 4, subsection (k) of Section 962 of Article 26 of the Tax Law, and Part 603 of Title 20 of the Official Compilation of Codes, Rules and Regulations of the State of New York.

Interest is not allowed or paid on any overpayment of tax made after the tax is finally determined by the Surrogate or where the amount of interest is less than \$1.00. Refund of an overpayment will be made upon the written request of a qualified representative of the estate.