

Appendix IV

IRS Form 709—United States Gift (and Generation-Skipping Transfer) Tax Return, 2008

Form **709**
 Department of the Treasury
 Internal Revenue Service

United States Gift (and Generation-Skipping Transfer) Tax Return
 (For gifts made during calendar year 2008)

OMB No. 1545-0020
2008

▶ See separate instructions.

Part 1 — General Information

1 Donor's first name and middle initial	2 Donor's last name	3 Donor's social security number
4 Address (number, street, and apartment number)		5 Legal residence (domicile)
6 City, state, and ZIP code		7 Citizenship (see instructions)
8 If the donor died during the year, check here <input type="checkbox"/> and enter date of death		Yes No
9 If you extended the time to file this Form 709, check here <input type="checkbox"/>		
10 Enter the total number of donees listed on Schedule A. Count each person only once. ▶		
11a Have you (the donor) previously filed a Form 709 (or 709-A) for any other year? If "No," skip line 11b		
b If the answer to line 11a is "Yes," has your address changed since you last filed Form 709 (or 709-A)?		
12 Gifts by husband or wife to third parties. Do you consent to have the gifts (including generation-skipping transfers) made by you and by your spouse to third parties during the calendar year considered as made one-half by each of you? (See instructions.) (If the answer is "Yes," the following information must be furnished and your spouse must sign the consent shown below. If the answer is "No," skip lines 13–18 and go to Schedule A.)		
13 Name of consenting spouse	14 SSN	
15 Were you married to one another during the entire calendar year? (see instructions)		
16 If 15 is "No," check whether <input type="checkbox"/> married <input type="checkbox"/> divorced or <input type="checkbox"/> widowed/deceased, and give date (see instructions) ▶		
17 Will a gift tax return for this year be filed by your spouse? (If "Yes," mail both returns in the same envelope.)		
18 Consent of Spouse. I consent to have the gifts (and generation-skipping transfers) made by me and by my spouse to third parties during the calendar year considered as made one-half by each of us. We are both aware of the joint and several liability for tax created by the execution of this consent.		

Consenting spouse's signature ▶		Date ▶	
1 Enter the amount from Schedule A, Part 4, line 11	1		
2 Enter the amount from Schedule B, line 3	2		
3 Total taxable gifts. Add lines 1 and 2	3		
4 Tax computed on amount on line 3 (see <i>Table for Computing Gift Tax</i> in separate instructions)	4		
5 Tax computed on amount on line 2 (see <i>Table for Computing Gift Tax</i> in separate instructions)	5		
6 Balance. Subtract line 5 from line 4	6		
7 Maximum unified credit (nonresident aliens, see instructions)	7	345,800	00
8 Enter the unified credit against tax allowable for all prior periods (from Sch. B, line 1, col. C)	8		
9 Balance. Subtract line 8 from line 7	9		
10 Enter 20% (.20) of the amount allowed as a specific exemption for gifts made after September 8, 1976, and before January 1, 1977 (see instructions)	10		
11 Balance. Subtract line 10 from line 9	11		
12 Unified credit. Enter the smaller of line 6 or line 11	12		
13 Credit for foreign gift taxes (see instructions)	13		
14 Total credits. Add lines 12 and 13	14		
15 Balance. Subtract line 14 from line 6. Do not enter less than zero	15		
16 Generation-skipping transfer taxes (from Schedule C, Part 3, col. H, Total)	16		
17 Total tax. Add lines 15 and 16	17		
18 Gift and generation-skipping transfer taxes prepaid with extension of time to file	18		
19 If line 18 is less than line 17, enter balance due (see instructions)	19		
20 If line 18 is greater than line 17, enter amount to be refunded	20		

Attach check or money order here.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including any accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than donor) is based on all information of which preparer has any knowledge.

Signature of donor _____ Date _____

May the IRS discuss this return with the preparer shown below (see instructions)? **Yes** **No**

Paid Preparer's Use Only

Preparer's signature _____ Date _____ Check if self-employed

Firm's name (or yours if self-employed), address, and ZIP code _____ Preparer's SSN or PTIN _____

EIN _____ Phone no. () _____

SCHEDULE A Computation of Taxable Gifts (Including transfers in trust) (see instructions)

A Does the value of any item listed on Schedule A reflect any valuation discount? If "Yes," attach explanation Yes No

B Check here if you elect under section 529(c)(2)(B) to treat any transfers made this year to a qualified tuition program as made ratably over a 5-year period beginning this year. See instructions. Attach explanation.

Part 1—Gifts Subject Only to Gift Tax. Gifts less political organization, medical, and educational exclusions. (see instructions)

A Item number	B <ul style="list-style-type: none"> • Donee's name and address • Relationship to donor (if any) • Description of gift • If the gift was of securities, give CUSIP no. • If closely held entity, give EIN 	C	D Donor's adjusted basis of gift	E Date of gift	F Value at date of gift	G For split gifts, enter ½ of column F	H Net transfer (subtract col. G from col. F)
1							

Gifts made by spouse—complete **only** if you are splitting gifts with your spouse and he/she also made gifts.

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Total of Part 1. Add amounts from Part 1, column H ▶

Part 2—Direct Skips. Gifts that are direct skips and are subject to both gift tax and generation-skipping transfer tax. You must list the gifts in chronological order.

A Item number	B <ul style="list-style-type: none"> • Donee's name and address • Relationship to donor (if any) • Description of gift • If the gift was of securities, give CUSIP no. • If closely held entity, give EIN 	C 2632(b) election out	D Donor's adjusted basis of gift	E Date of gift	F Value at date of gift	G For split gifts, enter ½ of column F	H Net transfer (subtract col. G from col. F)
1							

Gifts made by spouse—complete **only** if you are splitting gifts with your spouse and he/she also made gifts.

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Total of Part 2. Add amounts from Part 2, column H ▶

Part 3—Indirect Skips. Gifts to trusts that are currently subject to gift tax and may later be subject to generation-skipping transfer tax. You must list these gifts in chronological order.

A Item number	B <ul style="list-style-type: none"> • Donee's name and address • Relationship to donor (if any) • Description of gift • If the gift was of securities, give CUSIP no. • If closely held entity, give EIN 	C 2632(c) election	D Donor's adjusted basis of gift	E Date of gift	F Value at date of gift	G For split gifts, enter ½ of column F	H Net transfer (subtract col. G from col. F)
1							

Gifts made by spouse—complete **only** if you are splitting gifts with your spouse and he/she also made gifts.

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Total of Part 3. Add amounts from Part 3, column H ▶

(If more space is needed, attach additional sheets of same size.)

Part 4—Taxable Gift Reconciliation

1	Total value of gifts of donor. Add totals from column H of Parts 1, 2, and 3	1		
2	Total annual exclusions for gifts listed on line 1 (see instructions)	2		
3	Total included amount of gifts. Subtract line 2 from line 1	3		
Deductions (see instructions)				
4	Gifts of interests to spouse for which a marital deduction will be claimed, based on item numbers of Schedule A	4		
5	Exclusions attributable to gifts on line 4	5		
6	Marital deduction. Subtract line 5 from line 4	6		
7	Charitable deduction, based on item nos. less exclusions	7		
8	Total deductions. Add lines 6 and 7	8		
9	Subtract line 8 from line 3	9		
10	Generation-skipping transfer taxes payable with this Form 709 (from Schedule C, Part 3, col. H, Total)	10		
11	Taxable gifts. Add lines 9 and 10. Enter here and on page 1, Part 2—Tax Computation, line 1	11		

Terminable Interest (QTIP) Marital Deduction. (See instructions for Schedule A, Part 4, line 4.)

If a trust (or other property) meets the requirements of qualified terminable interest property under section 2523(f), and:

- a. The trust (or other property) is listed on Schedule A, and
- b. The value of the trust (or other property) is entered in whole or in part as a deduction on Schedule A, Part 4, line 4,

then the donor shall be deemed to have made an election to have such trust (or other property) treated as qualified terminable interest property under section 2523(f).

If less than the entire value of the trust (or other property) that the donor has included in Parts 1 and 3 of Schedule A is entered as a deduction on line 4, the donor shall be considered to have made an election only as to a fraction of the trust (or other property). The numerator of this fraction is equal to the amount of the trust (or other property) deducted on Schedule A, Part 4, line 6. The denominator is equal to the total value of the trust (or other property) listed in Parts 1 and 3 of Schedule A.

If you make the QTIP election, the terminable interest property involved will be included in your spouse's gross estate upon his or her death (section 2044). See instructions for line 4 of Schedule A. If your spouse disposes (by gift or otherwise) of all or part of the qualifying life income interest, he or she will be considered to have made a transfer of the entire property that is subject to the gift tax. See *Transfer of Certain Life Estates Received From Spouse* on page 4 of the instructions.

12 Election Out of QTIP Treatment of Annuities

◀ Check here if you elect under section 2523(f)(6) **not** to treat as qualified terminable interest property any joint and survivor annuities that are reported on Schedule A and would otherwise be treated as qualified terminable interest property under section 2523(f). See instructions. Enter the item numbers from Schedule A for the annuities for which you are making this election ▶

SCHEDULE B Gifts From Prior Periods

If you answered "Yes" on line 11a of page 1, Part 1, see the instructions for completing Schedule B. If you answered "No," skip to the Tax Computation on page 1 (or Schedule C, if applicable).

A Calendar year or calendar quarter (see instructions)	B Internal Revenue office where prior return was filed	C Amount of unified credit against gift tax for periods after December 31, 1976	D Amount of specific exemption for prior periods ending before January 1, 1977	E Amount of taxable gifts
1	Totals for prior periods	1		
2	Amount, if any, by which total specific exemption, line 1, column D, is more than \$30,000		2	
3	Total amount of taxable gifts for prior periods. Add amount on line 1, column E and amount, if any, on line 2. Enter here and on page 1, Part 2—Tax Computation, line 2		3	

(If more space is needed, attach additional sheets of same size.)

Siegel, William C.; Haney, Harry L., Jr.; Greene, John L. 2009. Estate planning for forest landowners: what will become of your timber? Gen. Tech. Rep. SRS-112. Asheville, NC: U.S. Department of Agriculture Forest Service, Southern Research Station. 180 p.

The purpose of this book is to provide guidelines and assistance to nonindustrial private forest owners and the legal, tax, financial, insurance, and forestry professionals who serve them on the application of estate planning techniques to forest properties. The book presents a working knowledge of the Federal estate and gift tax law as of September 30, 2008, with particular focus on the unique characteristics of owning timber and forest land. It consists of four major parts, plus appendices. Part I develops the practical and legal foundation for estate planning. Part II explains and illustrates the use of general estate planning tools. Part III explains and illustrates the use of additional tools that are specific to forest ownership. Part IV describes the forms of forest land ownership, as well as the basic features of State transfer taxes and the benefits of forest estate planning. The appendices include a glossary and the Federal forms for filing estate and gift taxes.

Keywords: Estate planning, estate tax, gift tax, insurance, special use valuation, transfer tax, trust.



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