



PROPOSED RULE MAKING

CR-102 (June 2004)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Department of Revenue

Preproposal Statement of Inquiry was filed as WSR 08-13-063 ; or
 Expedited Rule Making--Proposed notice was filed as WSR ; or
 Proposal is exempt under RCW 34.05.310(4).

Original Notice
 Supplemental Notice to WSR
 Continuance of WSR

Title of rule and other identifying information: WAC 458-57-105, Nature of estate tax, definitions and WAC 458-57-115, Valuation of property, property subject to estate tax, and how to calculate the tax.

Hearing location(s):

Capitol Plaza Building
 4th Floor L&P Large Conf. Room
 1025 Union Avenue SE
 Olympia, Washington 98504

Copies of draft rules are available for viewing and printing on our website at: <http://dor.wa.gov/content/FindALawOrRule/RuleMaking/agenda.aspx>

Date: **October 23, 2008** Time: **1:30 PM**

Date of intended adoption: November 13, 2008
 (Note: This is NOT the effective date)

Submit written comments to:

Name: Mark Bohe
 Address: Post Office Box 47453
 Olympia, Washington 98504-7453
 E-mail: markbohe@dor.wa.gov
 Fax: (360) 586-0127
 By: October 23, 2008

Assistance for persons with disabilities: Contact Martha Thomas at (360) 725-7497 no later than 10 days before the hearing date. Deaf and hard of hearing individuals may call 1-800-451-7985 (TTY users).

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The Department is proposing an amendment to these rules to clarify when an amount included in the federal taxable estate pursuant to IRC Sec. 2044 (inclusions of amounts for which a federal QTIP election was previously made) is subtracted out when calculating the Washington taxable estate. The proposed rules clarify that the Washington taxable estate is only reduced by the amount included in the federal taxable estate pursuant to IRC Sec 2044 when it is received from a pre-deceased spouse that died on or after May 17, 2005.

Reasons supporting proposal:

The amendments are necessary to provide current and accurate tax-reporting guidance, particularly with respect to clarifying when the Washington taxable estate is reduced by the amount included in the federal taxable estate pursuant to IRC Sec 2044.

Statutory authority for adoption: RCW 82.32.300 and RCW 82.01.060(2)

Statute being implemented: Chapter 83.100 RCW

Is rule necessary because of a:

Federal Law? Yes No
 Federal Court Decision? Yes No
 State Court Decision? Yes No
 If yes, CITATION:

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
 STATE OF WASHINGTON
 FILED

DATE: September 17, 2008
 TIME: 10:27 AM

WSR 08-19-113

Date
 9/17/08

Name
 Alan R. Lynn

Signature

Title
 Rules Coordinator

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters: None.

Name of proponent: Department of Revenue

- Private
 Public
 Governmental

Name of agency personnel responsible for:

Name	Office Location	Phone
Drafting.....Mark E. Bohe	1025 Union Ave. SE. Ste #544, Olympia ,Wa	(360) 570-6133
Implementation.... Alan R. Lynn	1025 Union Ave. SE. Ste #544, Olympia ,Wa	(360) 570-6125
Enforcement..... Janis P. Bianchi	1025 Union Ave. SE. Ste #544, Olympia ,Wa	(360) 570-6147

Has a small business economic impact statement been prepared under chapter 19.85 RCW?

Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:
Address:

Phone:
Fax:
E-mail:

No. Explain why no statement was prepared.

A small business economic impact statement is not required because the new rules and proposed amendments do not impose any requirements or burdens upon small businesses that are not already required by statute.

Is a cost-benefit analysis required under RCW 34.05.328?

Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:
Address:

Phone:
Fax:
E-mail:

No: Please explain: These are not significant legislative rules as defined in RCW 34.05.328.