



RULE-MAKING ORDER

CR-103 (June 2004)
(Implements RCW 34.05.360)

Agency: **Department of Revenue**

Permanent Rule
 Emergency Rule

Effective date of rule:

Permanent Rules

31 days after filing.

Other (specify) _____ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

Effective date of rule:

Emergency Rules

Immediately upon filing.

Later (specify) _____

Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?

Yes No If Yes, explain:

Purpose: WAC 458-57-105 explains the nature of Washington state's estate tax imposed by chapter 83.100 RCW. It also provides definitions of terms that are used throughout chapter 458-57 WAC. WAC 458-57-115 provides guidance to help taxpayers prepare their return and pay the correct amount of Washington state estate tax. It explains the steps for determining the tax and provides examples of how the tax is calculated.

The Department is amending 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 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.

Citation of existing rules affected by this order:

Amended: 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.

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

Other authority :

PERMANENT RULE ONLY (Including Expedited Rule Making)

Adopted under notice filed as WSR 08-19-113 on September 17, 2008 (date).

Describe any changes other than editing from proposed to adopted version: **None.**

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting: **An analysis was not prepared.**

EMERGENCY RULE ONLY

Under RCW 34.05.350 the agency for good cause finds:

- That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest.
- That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule.

Reasons for this finding:

Date adopted: January 22, 2009

NAME (TYPE OR PRINT)

Alan R. Lynn

SIGNATURE

TITLE Rules Coordinator

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: January 22, 2009

TIME: 11:37 AM

WSR 09-04-008

**Note: If any category is left blank, it will be calculated as zero.
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.
A section may be counted in more than one category.**

The number of sections adopted in order to comply with:

Federal statute:	New	_____	Amended	_____	Repealed	_____
Federal rules or standards:	New	_____	Amended	_____	Repealed	_____
Recently enacted state statutes:	New	_____	Amended	_____	Repealed	_____

The number of sections adopted at the request of a nongovernmental entity:

New	_____	Amended	_____	Repealed	_____
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The number of sections adopted in the agency's own initiative:

New	_____	Amended	<u>2</u>	Repealed	_____
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The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New	_____	Amended	_____	Repealed	_____
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The number of sections adopted using:

Negotiated rule making:	New	_____	Amended	_____	Repealed	_____
Pilot rule making:	New	_____	Amended	_____	Repealed	_____
Other alternative rule making:	New	_____	Amended	<u>2</u>	Repealed	_____