



PLEASE DO NOT WRITE IN THIS SPACE

Type of Federal Return  
 706                       706NA                       706-QDT

Name of Decedent \_\_\_\_\_ Residence at Time of Death (City and State) \_\_\_\_\_

Date of Death \_\_\_\_\_ Decedent's Social Security Number \_\_\_\_\_  
 Indicate County Court Where Will was Probated or Estate Administered \_\_\_\_\_ Case Number \_\_\_\_\_

**PERSONAL REPRESENTATIVES OR ATTORNEYS REPRESENTING THE ESTATE**

Name	Address	City	State	Zip Code	Telephone Number
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**PERSON TO RECEIVE CERTIFICATE OF PAYMENT**

Name	Address	City	State	Zip Code
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**COMPUTATION OF TAX**

1	Federal taxable estate (Federal Form 706, line 3c) (check box if federal closing letter has not yet been issued, and provide a copy when received <input type="checkbox"/> .....	1	\$	
2	Statutory adjustment (one million dollars).....	2	1,000,000	00
3	Nebraska taxable estate (line 1 minus line 2) (If less than zero, enter -0-).....	3		
4	Enter appropriate amount from <b>Nebraska estate tax rate table</b> in line 4 instructions .....	4		
5	Maximum <b>state death tax credit</b> allowance from federal return (enter -0- if date of death is 1/1/2005 or after) .....	5		
6	Enter the greater of line 4 or line 5.....	6		
7	Enter gross value of all transferred property located <b>outside</b> Nebraska ( <b>Residents only</b> – If line 7 is zero, skip to line 11 and enter zero on that line) .....	7	\$	
8	Enter gross value of all transferred property located <b>inside</b> Nebraska ..	8		
9	Gross value of all transferred property (line 7 plus line 8) .....	9		
10	<b>Residents only</b> – Divide line 7 by line 9 (compute to five decimal places and round to four) .....	10		
11	<b>Residents only</b> – Allowance for property in other states. Multiply line 6 by line 10 .....	11	\$	
12	<b>Nonresidents only</b> – Divide line 8 by line 9 (compute to five decimal places and round to four) .....	12		
13	<b>Tentative tax (Residents only – line 6 minus line 11) (Nonresidents only – line 6 multiplied by line 12) .....</b>	13	\$	
14	Amount of Nebraska <b>inheritance taxes</b> paid ( <b>attach copies of certificates or receipts of payments</b> – see instructions) .....	14		
15	Net Nebraska estate tax due (line 13 minus line 14) (if zero or less, enter -0-) .....	15		
16	Tax previously paid to Nebraska .....	16		
17	TAX DUE (line 15 minus line 16).....	17		
18	Interest (see instructions) .....	18		
19	BALANCE DUE (line 17 plus line 18). Pay in full with return .....	19		
20	Overpayment to be REFUNDED if line 16 is greater than line 15 (line 16 minus line 15) .....	20	\$	

Under penalties of law, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is correct and complete.

**sign here**

\_\_\_\_\_  
Signature of Personal Representative, Fiduciary, Executor, Taxpayer, Trustee, Attorney or Designated Filer                      Date \_\_\_\_\_

\_\_\_\_\_  
Signature of Preparer                      Date \_\_\_\_\_                      Telephone Number \_\_\_\_\_

**FOR NDR USE ONLY**

**ATTACH A COPY OF THE FEDERAL FORM FILED WITH THE IRS: FORM 706, PAGES 1, 2, AND 3; 706NA; OR 706-QDT.**  
**A COPY OF THE COUNTY INHERITANCE TAX WORKSHEET AND COUNTY TAX RECEIPTS MUST BE ATTACHED TO THIS RETURN.**  
 Mail this return and payment to: **NEBRASKA DEPARTMENT OF REVENUE, P.O. BOX 94818, LINCOLN, NE 68509-4818**

## INSTRUCTIONS

**WHO MUST FILE.** This return must be filed for estates with a federal taxable estate of one million dollars or more, whether or not required to file Federal Forms 706, 706NA, or 706-QDT, when the decedent died on or after July 1, 2003, and before January 1, 2007, and was a resident of Nebraska, or owned real property in Nebraska, at the time of death. Estates of persons who died on or after January 1, 2003, but before July 1, 2003, should use Nebraska Form 706N-T. Estates of persons who died before January 1, 2003, should use Nebraska Form 706N-1.

Generation-skipping transfers due to taxable distributions or taxable terminations made on or after July 1, 2003, and before January 1, 2007 should be reported using the Nebraska Generation-Skipping Transfer Tax Return, Form 706N-GST. Transfers made on or after January 1, 2003, but before July 1, 2003, should use Nebraska Form 706N-GST-T. Transfers made before January 1, 2003, should use Nebraska Form 706N-GST-1.

**WHEN AND WHERE TO FILE.** This return is due 12 months after the date of death of the decedent. This return is to be filed with the Nebraska Department of Revenue, P.O. Box 94818, Lincoln, Nebraska 68509-4818.

**HAVE QUESTIONS?** Check our Web site: [www.revenue.ne.gov](http://www.revenue.ne.gov) or call 1-800-742-7474 (toll free in Nebraska and Iowa) or 1-402-471-5729.

**AMOUNT OF TAX.** The amount of estate tax due the state of Nebraska begins with the greater of two amounts. The first amount is the maximum state tax credit allowance upon the tax imposed by Chapter 11 of the Internal Revenue Code. (Note: This allowance has been completely phased out on the federal return for decedents with dates of death after December 31, 2004.) The second amount is the Nebraska taxable estate (federal taxable estate [Federal Form 706 line 3c] minus one million dollars) multiplied by the tax rates in the Nebraska estate tax table — see line 4 instructions. Certain adjustments are allowed as reflected in lines 7 through 14. The net Nebraska estate tax due as a result of these calculations is entered on line 15.

**INTEREST.** If the tax due as computed on line 15 of this return is not paid by the prescribed due date, interest on the unpaid tax will be assessed at the statutory rate from the due date until payment is received. The rate of interest may be adjusted on January 1 of every odd-numbered year.

**FEDERAL RETURNS.** Attach to this return a copy of Federal Form 706 (pages 1, 2, and 3), 706NA, or 706-QDT that was filed with the Internal Revenue Service. If a federal return is not required to be filed, a pro forma Federal Form 706 (pages 1, 2, and 3) should be prepared and filed with the Nebraska return.

**FEDERAL CLOSING LETTER.** If a federal return is required to be filed attach a copy of the Internal Revenue Service or federal court determination of estate tax, i.e., the federal closing letter which sets out the federal estate tax liability. If the determination is unavailable, the box on line 1 must be checked. When the closing letter is issued by the Internal Revenue Service or the federal court, a copy of the determination must be filed with the Nebraska Department of Revenue by the personal representative within ten days of receipt.

**CERTIFICATE EVIDENCING PAYMENT.** A certificate evidencing payment of Nebraska estate tax will be issued after the Nebraska Estate Tax Return has been filed and the tax paid. The Nebraska Estate Tax Return has not been properly filed until the federal closing letter (if any) and certificates or receipts evidencing tax payments to other states or political subdivisions have been provided.

**INHERITANCE TAX WORKSHEET.** Attach a copy of the inheritance tax worksheet filed with the appropriate Nebraska county court.

**AMENDED RETURN.** If the amount of Nebraska tax due is affected by a change made by the Internal Revenue Service or otherwise by the filing of an amended federal return, then an amended Nebraska return must be filed. Complete Form 706N, mark it "Amended" at the top of the return, and attach a copy of the dated notice of change from the Internal Revenue Service or a copy of the amended federal return.

**REFUND OF OVERPAYMENT.** An overpayment of tax to the state of Nebraska will be refunded upon the filing of an amended return. The claim for refund must be filed with the department within four years after the date of overpayment, or within one year of a change in the amount of federal tax due, whichever is later. The party making such overpayment

or his or her successors or assigns is entitled to a refund of the amount of overpayment plus interest.

Interest on refunds will be calculated at the statutory rate.

### SPECIFIC INSTRUCTIONS

**Enter the name and address of the person who is to receive the certificate evidencing payment.** If this space is not completed, the certificate will be sent to the first personal representative or attorney listed on Form 706N.

**List the name and address for each personal representative or attorney representing the estate,** if appropriate. Attach a schedule if more room is needed.

**LINE 1.** Enter the amount of the federal taxable estate from Federal Form 706, line 3c. The entire taxable estate reported on the federal return (or pro forma federal return if no federal return is required) must be reported to Nebraska.

**LINE 4. TENTATIVE NEBRASKA ESTATE TAX.** Use the following table to determine the tentative tax on the Nebraska taxable estate and enter on line 4:

Nebraska taxable estate from line 3		Tax =			Of Excess Over
At least	But less than	\$	+	%	\$
\$ 0	\$ 100,000	\$ 0	5.6		\$ 0
100,000	500,000	5,600	6.4		100,000
500,000	1,000,000	31,200	7.2		500,000
1,000,000	1,500,000	67,200	8.0		1,000,000
1,500,000	2,000,000	107,200	8.8		1,500,000
2,000,000	2,500,000	151,200	9.6		2,000,000
2,500,000	3,000,000	199,200	10.4		2,500,000
3,000,000	3,500,000	251,200	11.2		3,000,000
3,500,000	4,000,000	307,200	12.0		3,500,000
4,000,000	5,000,000	367,200	12.8		4,000,000
5,000,000	6,000,000	495,200	13.6		5,000,000
6,000,000	7,000,000	631,200	14.4		6,000,000
7,000,000	8,000,000	775,200	15.2		7,000,000
8,000,000	9,000,000	927,200	16.0		8,000,000
9,000,000		1,087,200	16.8		9,000,000

**LINE 7.** Enter the gross value of the transferred property located outside Nebraska.

For a resident decedent, this is the value of real estate and tangible personal property located outside of Nebraska.

For a nonresident decedent, this is the entire value of his or her estate, less the value of any interest in Nebraska real estate and tangible personal property located within Nebraska. Intangibles held in Nebraska at the time of a nonresident's death are to be valued at their fair market value and included on line 7.

**Residents only** – If the gross value of the transferred property located outside Nebraska is zero, skip to line 11 and enter zero on that line. If line 7 is greater than zero, however, complete lines 8 through 10 before proceeding to line 11. Use line 9 instructions for assistance in determining the appropriate gross value amounts.

**LINE 8.** Enter the gross value of all transferred property within Nebraska. This includes a nonresident decedent's interest in Nebraska real estate and tangible personal property.

**LINE 9.** Enter the gross value of all transferred property. This amount is the total gross estate reported on the federal return. This gross amount is prior to any adjustments for expenses or any other allowable deductions used in computing the taxable estate.

**LINE 14.** Attach a copy of the county inheritance tax worksheet and copies of receipts or certificates evidencing payment of inheritance tax.

**LINE 19.** Attach a check or money order payable to the Nebraska Department of Revenue for the sum reported on line 19.

**SIGNATURES.** A personal representative, fiduciary, executor, taxpayer, trustee, attorney, or designated filer of the estate must sign this return. An attorney must indicate the state wherein currently qualified to practice law. If another person is authorized to sign this return, there must be a power of attorney on file with the department.

Any person who is paid for preparing this return must also sign the return as preparer.