



Inheritance tax returns can be processed faster if they are complete and correct. Please ensure that your filed IA 706 includes the following:

Be Sure To:

- Use only forms that have been approved by the Department of Revenue.
- Mail each estate's return in a separate envelope. Include all supporting schedules (A-K).
- Include the will, the trust instrument, and any disclaimers, as applicable.
- Include a copy of the federal 706, if required.
- Indicate if an annuity is exempt and explain why.
- Attach a copy of your computation of shares for all but the simplest returns. It is unnecessary to show your computation of the tax.
- Check the tax computation with our tax rates.
- Enclose payment when there is tax due. We do not pre-audit returns without payment. Include the penalty and interest when tax is being paid late. Interest rates are listed on our website.

Iowa 706:

- Fill in the "Power of Attorney Authorization" section on page 1.
- Check the applicable boxes on lines 15-25, page 2, of the Iowa 706.
- Provide the information requested at the bottom of page 2, "Summary of Real and Personal Property Located Outside of Iowa."
- Sign the return at the bottom of page 1. Do not include signature pages.
- Be sure all property is listed at fair market value (except when special use or alternate valuation is elected). A sale of real estate within a year of death to a disinterested party will serve to establish fair market value. Do not use assessed or appraised value if the property has been sold for a different amount. Do not use alternate valuation unless its election on the federal return has resulted in a decrease of the federal estate tax.

Schedules:

- If life insurance is shown on Schedule D, include federal form 712 for each policy.
- On Schedule E, fill in the percentage includible where indicated. Provide supporting documentation whenever the includible percentage is less than 100% of total value, except in the case of a surviving spouse.
- Assets held in a revocable trust should be listed on Schedule G.

Mail completed return and all supporting schedules to:

Fiduciary/Inheritance Section
Iowa Department of Revenue
P.O. Box 10467
Des Moines, IA 50306-0467

Calls regarding proper filing of the IA 706 may be directed to Taxpayer Services at:

515-281-3114 or
1-800-367-3388 (Iowa, Omaha, Rock Island, Moline)