

SUBCHAPTER 3C - GIFT TAX

17 NCAC 03C .0101 DEFINITIONS **17 NCAC 03C .0102 GIFT TAX RETURN: FORM G-600**

History Note: *Authority G.S. 105-197; 105-262;*
 Eff. February 1, 1976;
 Amended Eff. October 1, 1991;
 Repealed Eff. June 1, 1993.

17 NCAC 03C .0103 LIFE INSURANCE VALUATION STATEMENT: FORM G-604

The life insurance valuation statement when properly executed and filed with the gift tax return will reflect information which will assist in determining the value of the life insurance policy being transferred.

History Note: *Authority G.S. 105-197; 105-262;*
 Eff. February 1, 1976.

17 NCAC 03C .0104 REMAINDER INTEREST

A gift of a remainder interest is a gift of a future interest, and the annual exclusion provided in Section 2503(b) of the Internal Revenue Code would not apply.

History Note: *Authority G.S. 105-188; 105-262;*
 Eff. February 1, 1976;
 Amended Eff. February 1, 2005; October 1, 1991.

17 NCAC 03C .0105 REAL PROPERTY: DEED OF GIFT

When a gift of real estate is made and the gift is to a husband and wife, creating an estate by the entirety, the value of the transfer is equally divided between the donees.

History Note: *Authority G.S. 105-188; 105-190; 105-262;*
 Eff. February 1, 1976.

17 NCAC 03C .0106 REAL PROPERTY: CREATION OF AN ESTATE BY THE ENTIRETY **17 NCAC 03C .0107 REAL PROPERTY: TERMINATION OF AN ESTATE BY THE ENTIRETY**

History Note: *Authority G.S. 105-188; 105-189; 105-262;*
 Eff. February 1, 1976;
 Amended Eff. October 1, 1991;
 Repealed Eff August 1, 2002.

17 NCAC 03C .0108 EXTENSIONS

(a) Application. -- If the Gift Tax Return, Form G-600, cannot be filed by the due date of April 15, a donor may apply for an automatic six-month extension of time to file the return. To receive the extension, a donor must file Form D-410G, Application for Extension for Filing Gift Tax Return, by the original due date of the return.

(b) Late Payment Penalty. -- An extension does not extend the time for payment of the tax due. Tax not paid by the original due date of the return is subject to the 10 percent penalty for failure to pay a tax when due. The Department does not assess this penalty if the donor paid at least 90 percent of the amount of tax due by the original due date of the return. Interest applies to all amounts not paid by the original due date of the return.

(c) Donors Outside U.S. - Donors, including military personnel, living outside the United States and Puerto Rico are granted an automatic extension of four months for filing a North Carolina gift tax return. No application is required to receive this extension.

(d) Return. -- A return may be filed at any time within the extension period. A return that is filed after the end of the extension period is subject to the penalty for failure to file a return.

*History Note: Authority G.S. 105-197; 105-236; 105-262; 105-263;
Eff. June 1, 1993;
Amended Eff. May 1, 2006; August 1, 2002; July 1, 2000; August 1, 1998.*