



DO NOT WRITE IN THIS AREA  
Reference Numbers  
Comptroller: \_\_\_\_\_  
Register: \_\_\_\_\_

USE THIS AREA FOR DATE STAMPS

# MARYLAND ESTATE TAX RETURN

To be used for decedents dying after December 31, 2004, and before January 1, 2006

*Please print or type*

Attach the Federal Estate Tax Return, Form 706

- Original return       Amended return       Federal estate tax return has been or will be filed with the IRS

SECTION I

## Decedent information:

First name	Middle name	Last name	Social Security number
Address at date of death (number and street)			
City	County	State	Zip code
Date of death	Due date of return (nine months after date of death)	Extended due date of return (Attach copy of extension)	

SECTION II

## Person(s) responsible for filing the Maryland estate tax return:

*Attach continuing schedule in same format, including signatures, if there are more than three persons responsible for filing the return.*

Name	Complete mailing address	Social Security number
Name	Complete mailing address	Social Security number
Name	Complete mailing address	Social Security number

## Attorney or contact person where correspondence should be sent:

Name	Phone number		
Address line 1			
Address line 2			
City	County	State	Zip code

## Affidavit of person(s) responsible for filing the Maryland estate tax return:

Under the penalties of perjury, I certify that I have examined this return, including schedules and the federal Form 706, and that these documents are true, correct and complete to the best of my knowledge, information and belief.

Signature	Date	Signature	Date
Signature	Date		

SECTION III

## Certification of Register of Wills:

I, \_\_\_\_\_ Register of Wills for \_\_\_\_\_  
 hereby certify that Maryland inheritance taxes totaling \_\_\_\_\_ have been paid as of  
 \_\_\_\_\_ Signed \_\_\_\_\_  
 Date Register of Wills

Decedent's name:

First name

Middle name

Last name

Social Security number

COMPUTATION OF MARYLAND ESTATE TAX

for estates of decedents dying after December 31, 2004, and before January 1, 2006

Do not write in this area  
Comptroller's use only

- 1. Total gross estate (from line 1, federal Form 706) \_\_\_\_\_
- 2. Deductions (from line 2, federal Form 706) \_\_\_\_\_

COMPLETE AND ATTACH PAGES 1 AND 2 OF  
MARYLAND SCHEDULE B FOR LINES 3-10

- 3. Tentative taxable estate (from line 4 of Maryland Schedule B)  
(before state death tax deduction) \_\_\_\_\_
- 4. Adjusted taxable gifts (from line 5 of Maryland Schedule B) \_\_\_\_\_
- 5. Taxable estate after adding taxable gifts  
(from line 6 of Maryland Schedule B) \_\_\_\_\_
- 6. Tentative federal estate tax (from line 7 of Maryland Schedule B) \_\_\_\_\_
- 7. Total gift taxes payable (from line 8 of Maryland Schedule B) \_\_\_\_\_
- 8. Gross federal estate tax (from line 9 of Maryland Schedule B) \_\_\_\_\_
- 9. Allowable unified credit of \$345,800 less any adjustments  
reported on line 10 of federal Form 706  
(from line 10 of Maryland Schedule B) \_\_\_\_\_
- 10. Maximum credit for state death taxes  
(from line 13 of Maryland Schedule B) \_\_\_\_\_

IF ALL PROPERTY IS LOCATED WITHIN MARYLAND, SKIP TO LINE 13

- 11. Percentage of Maryland estate to total gross estate  
(Schedule A, line 27) 

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 % 

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- 12. Maryland apportioned credit (line 11 times line 10) \_\_\_\_\_

- 13. Maryland estate tax liability  
(from line 10 or line 12, whichever is applicable) \_\_\_\_\_
- 14. a. Maryland inheritance tax paid \_\_\_\_\_
- b. Death tax paid to another state on assets  
also included in the Maryland estate \_\_\_\_\_
- c. Total (add lines 14a and 14b) \_\_\_\_\_
- 15. Net Maryland estate tax (line 13 minus line 14c) \_\_\_\_\_
- 16. a. Estimated tax previously remitted \_\_\_\_\_
- b. Maryland estate tax previously remitted  
*(Amended returns only)* \_\_\_\_\_
- c. Total (add lines 16a and 16b) \_\_\_\_\_
- 17. Maryland estate tax due or (overpayment) (line 15 minus line 16c) \_\_\_\_\_
- 18. Interest charges \_\_\_\_\_
- 19. Penalty charges \_\_\_\_\_
- 20. Total: balance due or (overpayment) (add lines 17, 18 and 19) \_\_\_\_\_
- 21. Amount of overpayment to be refunded **Refund** \_\_\_\_\_
- 22. Total balance due **Pay in full when filing this return** \_\_\_\_\_

SECTION IV

**INSTRUCTIONS – SECTIONS I - IV OF MET 1**  
**For estates of decedents dying after December 31, 2004, and before January 1, 2006**

Indicate whether the return is an “original” filing or an “amended” return. Also indicate in the check box if the federal return, Form 706, has been or will be filed with the Internal Revenue Service.

**Section I** Complete *all* of the information concerning the decedent.

**Section II** Enter the information concerning *all* person(s) responsible for filing the return.

Enter the information to indicate where correspondence should be sent. This is the individual the Comptroller will contact if additional information is required or if a deficiency/refund notice is necessary. The person(s) responsible for filing the return will be contacted in the event the contact person does not respond or if no contact person is listed.

**All person(s) responsible for filing the return must sign and date the return.**

**Section III** This section will be completed by the Register of Wills.

**Section IV** Computation of Maryland estate tax for estates of decedents dying after December 31, 2004, and before January 1, 2006. Complete the federal estate tax return, Form 706, for the year of the decedent’s death, regardless of whether Form 706 is required to be filed with the Internal Revenue Service.

Include the federal return when filing the Maryland estate tax return. Do not include supporting documents or attachments with the federal return. These documents should be retained by the estate representative for possible state audit and may be requested at a later time.

Lines 1-10 Complete lines 1 through 10 by transferring the corresponding amounts from the federal return and Schedule B of the Maryland estate tax return.

Lines 11-12 Apportionment of state death tax credit:

If the gross estate on line 1 includes only Maryland property, skip to line 13. If the gross estate on line 1 includes Maryland property and property located outside the state of Maryland, complete Maryland Schedule A first. Then enter on line 11, the percentage of the Maryland estate from line 27 on schedule A. Multiply line 11 times line 10 and enter the result on line 12.

Line 13 If the gross estate includes only Maryland property, enter the amount from line 10. If the gross estate includes property in Maryland and outside the state, enter the amount from line 12. The amount reported on line 13 is the Maryland estate tax liability. This amount must be satisfied by the due date of the return shown on page 1 to avoid interest and penalty.

Line 14a Enter the total Maryland inheritance tax paid to the Register of Wills.

Line 14b Enter the portion of any tax paid to another state or territory, on property included in the Maryland estate shown on line 26 of schedule A. You must provide evidence of payment and attach your computation of this credit.

Line 14c Add lines 14a and 14b, and enter the total.

Line 15 Subtract line 14c from line 13 and enter the difference. If the difference is zero or less, enter zero.

Line 16a Enter the total of any payments remitted as estimated payments with a filing extension or payments remitted in advance of the filing of the return.

Line 16b Enter the total Maryland estate tax paid with previously filed returns.

Line 16c Add lines 16a and 16b and enter the total.

Line 17 Subtract line 16c from line 15 and enter the difference.

Line 18 Interest is assessed on any portion of the Maryland estate tax liability (line 13) that is not satisfied by the statutory due date on page 1 of the return. Request Administrative Release #14 for the current interest rates. Interest is calculated from the due date to the date of payment.

Line 19 Late payment penalty of up to 10 percent is assessable on any portion of the Maryland estate tax (line 15) that is not satisfied by the statutory due date on page 1 of the return. A 25 percent non-compliance penalty is assessed for failure to comply with a notice and demand for the filing of the return within the time prescribed.

Lines 20-22 Add lines 17, 18 and 19 and enter the total on line 20. If the total is a balance due, enter on line 22 and remit to the Comptroller with the remittance advice form. If the total is an overpayment, enter on line 21 the amount refundable. This may not exceed the total amount previously paid to the Comptroller.

Decedent's name:

First name

Middle name

Last name

Social Security number

## SCHEDULE A

**Use this worksheet to report the portion of the estate not subject to Maryland estate tax if the decedent died after December 31, 2004, and before January 1, 2006**

*Attach Schedule A to Form MET 1, using additional pages if necessary.*

**For a Maryland decedent** – Itemize the Real and Tangible Personal Property included in the gross estate (line 1 of the Maryland Estate Tax Return), having situs outside of Maryland.

**For a nonresident decedent** – Itemize the Real and Tangible Personal Property included in the gross estate (line 1 of the Maryland Estate Tax Return), having situs in Maryland.

Item number	Property description and location	Value used in federal gross estate
	Total from additional pages	
23. Total .....		

### Computation of percentage of Maryland estate to federal gross estate

24. Gross estate (from line 1) .....
25. Portion of estate not subject to Maryland estate tax:
- a. Maryland decedent (from line 23) .....
- OR
- b. Nonresident decedent (line 1 minus line 23) .....
26. Maryland estate (subtract line 25a or 25b from line 24) .....
27. Percentage of Maryland estate to total gross estate  
(line 26 divided by line 24) rounded to two decimal places .....     % Enter on line 11 of return

**FORM  
MET 3**



**MARYLAND ESTATE TAX  
REMITTANCE FORM**

Rev. 8-05  
COM/RAD -101D

*Mail this form and the tax due to: Comptroller of Maryland, P.O. Box 828, Annapolis, MD 21404-0828*

Decedent's name	Social Security number
Maryland estate tax return will be filed with the Register of Wills for:  <i>(name of county or Baltimore City)</i>	Date of death
Name and address of contact person	Amount remitted  \$

**The tax due must be submitted with this form.**

## SCHEDULE B

Use this schedule and worksheet to complete lines 3-10, of the  
Maryland Estate Tax Return if the decedent died after December 31, 2004 and before January 1, 2006

1. From federal Form 706, line 3a, tentative taxable estate ..... \$ \_\_\_\_\_
2. Less \$60,000 adjustment ..... \$ 60,000.00
3. Adjusted Taxable Estate (subtract line 2 from line 1) ..... \$ \_\_\_\_\_

Complete lines 4-13 using tables A and B below to determine the allowable maximum credit for state death taxes for purpose of the Maryland estate tax.

**Table A—Unified Rate Schedule**

Column A Taxable amount over	Column B Taxable amount not over	Column C Tax on amount in column A	Column D Rate of tax on excess over amount in column A
			(Percent)
0	\$10,000	0	18
\$10,000	20,000	\$1,800	20
20,000	40,000	3,800	22
40,000	60,000	8,200	24
60,000	80,000	13,000	26
80,000	100,000	18,200	28
100,000	150,000	23,800	30
150,000	250,000	38,800	32
250,000	500,000	70,800	34
500,000	750,000	155,800	37
750,000	1,000,000	248,300	39
1,000,000	1,250,000	345,800	41
1,250,000	1,500,000	448,300	43
1,500,000	2,000,000	555,800	45
2,000,000	-----	780,800	47

**Table B—Computation of Maximum Credit for State Death Taxes**

(1) Adjusted taxable estate equal to or more than—	(2) Adjusted taxable estate less than—	(3) Credit on amount in column (1)	(4) Rate of credit on excess over amount in column (1)	(1) Adjusted taxable estate equal to or more than—	(2) Adjusted taxable estate less than	(3) Credit on amount in column (1)	(4) Rate of credit on excess over amount in column (1)
			(Percent)				(Percent)
0	\$40,000	0	None	2,040,000	2,540,000	106,800	8.0
\$40,000	90,000	0	0.8	2,540,000	3,040,000	146,800	8.8
90,000	140,000	\$400	1.6	3,040,000	3,540,000	190,800	9.6
140,000	240,000	1,200	2.4	3,540,000	4,040,000	238,800	10.4
240,000	440,000	3,600	3.2	4,040,000	5,040,000	290,800	11.2
440,000	640,000	10,000	4.0	5,040,000	6,040,000	402,800	12.0
640,000	840,000	18,000	4.8	6,040,000	7,040,000	522,800	12.8
840,000	1,040,000	27,600	5.6	7,040,000	8,040,000	650,800	13.6
1,040,000	1,540,000	38,800	6.4	8,040,000	9,040,000	786,800	14.4
1,540,000	2,040,000	70,800	7.2	9,040,000	10,040,000	930,800	15.2
				10,040,000	-----	1,082,800	16.0

## SCHEDULE B

Use this schedule and worksheet to complete lines 3-10, of the  
Maryland Estate Tax Return if the decedent died after December 31, 2004 and before January 1, 2006

4. Enter line 3a from the federal Form 706, tentative taxable estate ..... \$ \_\_\_\_\_
5. Enter line 4 from the federal Form 706, adjusted taxable gifts ..... \$ \_\_\_\_\_
6. Add lines 4 and 5 ..... \$ \_\_\_\_\_
7. Tentative federal tax on the amount on line 6 using Table A ..... \$ \_\_\_\_\_
8. Total gift tax payable from line 7 of the federal Form 706 ..... \$ \_\_\_\_\_
9. Gross federal estate tax – subtract line 8 from line 7 ..... \$ \_\_\_\_\_
10. Allowable unified credit of \$345,800 reduced by any adjustments reported on line 10  
of federal Form 706. Do *not* use Unified Credit from federal Form 706. ... \$ \_\_\_\_\_
11. Subtract line 10 from line 9 (do not enter less than zero) ..... \$ \_\_\_\_\_  
If line 11 is zero, STOP here and enter zero on line 10 of the  
Maryland estate tax return. Otherwise, continue to line 12 of Schedule B.
12. Maximum credit for state death taxes. Calculate the credit using Table B above  
and the **Adjusted Taxable Estate** on line 3 of Schedule B and enter here. ... \$ \_\_\_\_\_
13. Enter the lesser of line 11 or 12. This is the allowable maximum credit for  
state death taxes. **Enter on line 10 of the Maryland Estate Tax Return.** ..... \$ \_\_\_\_\_

## GENERAL INSTRUCTIONS

For estates of decedents dying after December 31, 2004, and before January 1, 2006

**Who must file Form MET 1:** The person(s) responsible for filing the federal estate tax return, Form 706, or, if a federal return is not required to be filed, the person(s) responsible for paying the inheritance tax on property that passes from the decedent under Title 7, subtitle 2 of the Tax-General Article, Annotated Code of Maryland. A Maryland return is required for every decedent whose federal gross estate plus adjusted taxable gifts is valued at \$1,000,000 or more if the decedent at the date of death was:

1. A resident of the state of Maryland or
2. A nonresident of the state of Maryland whose estate includes any interest in real or tangible personal property located in Maryland.

**NOTE:** A Maryland return is required if the gross estate plus adjusted taxable gifts equals or exceeds \$1,000,000, regardless of whether the estate is required to file the federal estate tax return, Form 706. If you are not required to file a federal estate tax return but are required to file a Maryland estate tax return, attach a copy of the pro forma federal form 706 prepared as though a federal return was required.

**Where to file return:** The Maryland estate tax return is filed with the Register of Wills of Baltimore City or the county in which the Maryland estate is being administered, or where the property is located in the case of a nonresident decedent. The Register of Wills shall certify the amount of inheritance tax paid and forward the return to the Comptroller.

**When to file the return:** The Maryland estate tax return shall be filed nine months after the date of death of the decedent

**What to include with the return:** When filing the Maryland estate tax return, include Maryland Schedule A if applicable, Maryland Schedule B and the federal estate tax return, Form 706, including schedules. *Do not include supporting documents or attachments with the federal return. These documents should be retained by the estate representative for possible state audit and may be requested at a later time.*

**Extension of time to file:** The Comptroller may grant an extension of up to six months to file the Maryland estate tax return. An application form, MET 1E must be filed with the Comptroller on or before the statutory due date and should include: a copy of the federal extension request, Form 4768, if applicable; remittance of the estimated Maryland estate tax; or a request for an alternative payment schedule. See Administrative Releases #4 and #30 for additional instructions.

**When and Where to pay the tax:** The Maryland estate tax is payable to the Comptroller of Maryland at the same time the return is due to be filed with the Register of Wills: nine months from the date of death. The check should be mailed directly to the Comptroller of Maryland, Revenue Administration Division, P.O. Box 828, Annapolis, Maryland 21404-0828 with the remittance form MET 3 that is included in the return package. The Comptroller may allow an alternative payment schedule for the Maryland estate tax in the form of a payment deferral or installment payment plan. See Administrative Release #30 for specific procedures.

**Interest, Penalties and Liens:** Interest will accrue at the statutory rate on unpaid Maryland estate tax from the due date of the return to the date of actual payment. See Administrative Release #14 for current rates. Penalties are provided by statute for:

1. failure to pay the tax when due - up to 10 percent; and
2. failure to comply with Notice and Demand - 25 percent.

Unpaid tax, interest and penalties, become subject to lien in favor of the state upon all property and rights to the property belonging to the estate.

**Reporting of Adjustments:** Adjustments to the Maryland estate tax liability resulting from action taken by Internal Revenue Service or the estate shall be reported in an amended return (Form MET 1) filed with the Register of Wills with whom the original return was filed. Changes resulting from an Internal Revenue Service determination are reportable within 90 days from the date of the determination. Any additional tax, interest and penalties determined to be due shall be paid to the Comptroller of Maryland at the same time the amended return is filed.

**Refund of Excess Payment:** If an adjustment results in a decrease in the Maryland estate tax, the person responsible for filing the Maryland estate tax return shall file an amended return (Form MET 1) to claim a refund of previously paid Maryland estate tax. Claims shall be supported with documents required by the Comptroller. Refunds found to be due shall be paid by the Comptroller as provided for in Section 13-901, Tax-General Article, Annotated Code of Maryland.

**Forms Request:** For forms, instructions and Administrative Releases #4, #14 or #30, contact:

Comptroller of Maryland  
Revenue Administration Division – Estate Tax Section  
P.O. Box 828  
Annapolis, MD 21404-0828  
Phone: (410) 260-7850  
Email: [taxhelp@comp.state.md.us](mailto:taxhelp@comp.state.md.us)  
Web site: [www.marylandtaxes.com](http://www.marylandtaxes.com)



COMPTROLLER  
*of* MARYLAND

*Serving the People*

FOR ADDITIONAL INFORMATION:

call the Comptroller of Maryland at

410-260-7850 (Central Maryland)

1-800-MD TAXES (from elsewhere in Maryland)

from 8:00 a.m. to 5:00 p.m. eastern time.

E-mail: [taxhelp@comp.state.md.us](mailto:taxhelp@comp.state.md.us)

WORLD WIDE WEB:

[www.marylandtaxes.com](http://www.marylandtaxes.com)

- forms and publications
- fill out the interactive Combined Registration Application online to register new business tax accounts
- see if you are among the owners of millions in unclaimed funds
  - tax regulations

FOR DEAF OR HARD-OF-HEARING:

TTY users call via Maryland Relay at 711 in Maryland  
or 1-800-735-2258 from anywhere

TTY: 410-767-1967 (Baltimore Area)

If you need a reasonable accommodation for a disability,  
please contact us before your visit.