

WAC 458-57-145 Administration of the tax—Releases, amended returns, refunds, and statute of limitations. (1) **Introduction.** This rule applies to deaths occurring on or after May 17, 2005, and contains information on releases issued by the department for state estate taxes paid. It explains how and when an amended state return should be filed and information on refunds and statute of limitations. The estate tax rule on releases, amended returns etc., for deaths occurring on or before May 16, 2005, can be found in WAC 458-57-045.

(2) **Releases.** When the state estate taxes have been paid in full, the department will issue a release to the personal representative. The final determination of the amount of taxes due from the estates that have filed federal returns is contingent upon receipt of a copy of the final closing letter issued by the Internal Revenue Service (IRS). The department may require additional information to substantiate information provided by those estates that are not required to file federal returns. The release issued by the department will not bind or estop the department in the event of a misrepresentation of facts.

(3) **Amended returns.** An amended state return must be filed with the department within five days of amending a federal return with the IRS and must be accompanied by a copy of the amended federal return. For those estates that are not required to file a federal return, an amended estate tax return must be received within three years from the date the original estate tax return was filed or within two years of paying the tax, whichever is later.

(a) Any time that the amount of federal tax due is adjusted or when there is a final determination of the federal tax due, the person responsible for filing must give written notification to the department. This notification must include copies of any final examination report, any compromise agreement, the state tax closing letter, and any other available evidence of the final determination.

(b) If any amendment, adjustment or final determination results in additional state estate tax due, interest will be calculated on the additional tax due at the annual variable interest rate described in RCW 82.32.050.

(4) **Refunds.** Only the personal representative or the personal representative's retained counsel may make a claim for a refund of overpaid tax. If the application for refund, with supporting documents, is filed within four months after an adjustment or final determination of tax liability, the department shall pay interest until the date the refund is mailed. If the application for refund, with supporting documents, is filed after four months after the adjustment or final determination, the department shall pay interest only until the end of the four-month period. Any refund issued by the department will include interest at the existing statutory rate defined in RCW 82.32.050, computed from the date the overpayment was received by the department until the date it is mailed to the estate's representative. RCW 83.100.130.

(5) **Statute of limitations.**

(a) No assessment or correction of an assessment for additional taxes, penalties, or interest due may be made by the department more than four years after the close of the calendar year in which a Washington return is due under this chapter, including any extension of time for filing, except upon a showing of fraud or of misrepresentation of a material fact by the taxpayer.

(b) For persons liable for tax under RCW 83.100.120, the period for assessment or correction of an assessment extend an additional three years beyond the period described in (a) of this subsection.

(c) A taxpayer may extend the periods of limitation under (a) or (b) of this subsection by executing a written waiver. The execution of the waiver shall also extend the period for making a refund as provided in RCW 83.100.130.

[Statutory Authority: RCW 83.100.047 and 83.100.200. WSR 06-07-051, § 458-57-145, filed 3/9/06, effective 4/9/06.]