



Computation of Estate Tax Credit for Agricultural Exemption

(This form should be used for decedents who died after June 30, 1978*)

Estate of:	Date of Death:
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Part I — Value of Qualifying Property

1. Actual Use Value of qualified real property (See instructions)	1		
2. Fair Market Value of tangible personal property used in conjunction with qualified real property (See instructions)	2		
3. Total value of all qualifying property employed in a qualified use (line 1 plus line 2)			3

Part II — Exempt Amount

4. Agricultural Exemption allowable:			
a. 100% of amount on line 3 above, up to and including \$200,000	4a		
b. 50% of amount on line 3 above, in excess of \$400,000	4b		
5. Total gross amount qualifying for Agricultural Exemption (line 4a plus line 4b)			5
If qualifying property was transferred to someone other than a surviving spouse, omit lines 6a — c and enter on line 7 the amount shown on line 5.			
6. Assets transferred to surviving spouse used to fund marital deduction:			
a. Marital Deduction, as shown on Estate Tax Petition	6a		
b. Fair Market Value of all assets other than the qualifying real and personal property received by the surviving spouse	6b		
c. Value of qualifying property used to fund marital deduction, if any (not less than zero) (line 6a minus 6b)			6c
7. Net amount qualifying for Agricultural Exemption (See instructions)			7

Part III — Credit Allowable

8. Tentative CREDIT computed on amount shown on line 7 (See Table below)	8		
9. Unified Credit (See instructions)	9		
10. CREDIT allowable (line 8 minus line 9)			10

TABLE for Line 8

2% of first \$50,000 exempt	4% of next \$150,000 exempt, if any
3% of next \$100,000 exempt, if any	5% of next \$100,000 exempt, if any

* To claim credit based on this special use valuation provision in estates of persons dying between August 11, 1977 and June 30, 1978, please complete form TP-411.1 (10/78). Copies of this form may be obtained by calling Taxpayer Assistance at 1-800-462-8100 (from outside New York State call 518-438-1073).

General Instructions

This form should be used to claim credit for any estate tax imposed under Section 954-a of Article 26 which was paid in respect to the transfer of qualifying property used in the trade or business of farming.

This credit should be computed in accordance with subsections (a), (b) and (c) of Section 958-a of the New York State Tax Law.

A copy of this form should be attached to the Estate Tax Petition, TT-86.5, when claiming this credit.

Line Instructions

Part I — Value of qualifying property

- Line 1 — “Actual Use Value” applies to qualified *real* property and means the valuation of such qualified real property for the purposes of Section 954-a of the Tax Law rather than its potential for utilization at its “highest and best” use (fair market value).
- Line 2 — Tangible *personal* property used in conjunction with qualified real property would include such items as farm equipment and livestock and must be reported at fair market value.

Part II — Exempt Amount

- Line 4 — An Agricultural Exemption is allowable to the extent of the first \$200,000 in value of such qualified property and to the extent of one-half the value of such qualified property in excess of \$400,000.
- Line 6 — Complete lines 6(a) — (c) only if the qualifying property was transferred to the surviving spouse and a marital deduction is claimed on the estate tax petition.
- Line 6b — The amount on this line consists of all New York assets listed on Schedule M of the petition exclusive of the value of the *qualifying* real and personal property.
- Line 7 — Line 5 minus line 6, or enter the amount shown on line 5 if lines 6(a) — (c) are omitted.

Part III — Credit allowable

- Line 8 — Enter on this line the amount of tentative *credit* computed on the amount shown on line 7. The credit cannot exceed \$15,000, which is computed by means of the table shown on the front of this form.
- Line 9 — Enter on this line the amount of Unified (General) credit shown on line 5 of the Tax Computation Schedule, page 1, Form TT-86.5 (or line 3, Form TT-86.5, 6/78).
- Line 10 — Enter this amount on line 9 of Form TT-86.5 (or line 4, Form TT-86.5, 6/78).