

**New York State Department of Taxation and Finance**  
**Taxpayer Services Division**  
**Technical Services Bureau**

TSB-M-79 (2)  
Estate and Gift Tax  
February 23, 1979

Subject: Estate Tax Procedures: Refunds and Final Receipts

For many estates, the value of the gross estate is impossible to determine within 6 months and the tax is made on an estimated basis. This estimate may exceed the tax as finally fixed. Based on this, a refund may be requested. However, to avoid interest charges for underpayments and unpaid estate tax, 80% of the tax must be paid within 6 months of the date of death, and the balance must be paid within 15 months.

Refunds

The following is a compilation of the characteristics of the Estate Tax Refunds in accordance with section 249z and 249a.a. of the Tax Law:

Issued only after an order fixing tax has been entered by the Surrogate.

Must be requested in writing by a qualified representative for the estate.

Interest accrues on refund from date of receipt of overpayment until a date that is within 30 days of the date the refund is issued, not to extend beyond 4 years from the date of death.

The rate of interest on a refund is as follows:

- 6% on the refund that does not exceed 10% of overpayment
- 5% of the amount exceeding 10% but not 20% of the overpayment
- 4% of the amount exceeding 20% but not 30% of the overpayment
- 3% of the amount exceeding 30% but not 40% of the overpayment
- 2% of the amount exceeding 40% but not 50% of the overpayment
- 1% of the amount exceeding 50% of the tax

No interest is paid on any overpayment that is made after the Order is entered fixing tax.

The application for a refund must be made within 6 years of the entry of the Taxing Order.

No interest shall be allowed or paid on refunds for a period beyond 4 years from the date of death.

Final Receipts

A. A Final Receipt is:

1. Evidence that the entire tax liability has been satisfied.
2. Evidence that the taxing order has been received and accepted by the Department of Taxation and Finance.

3. Evidence that the records are complete and the case is completed on our records.
- B. No temporary receipts are issued for periodic payments. Only final receipts are issued.
  - C. The original of the final receipt is sent to the Surrogates Court where the Order was entered and is used for the final accounting. This is the procedure for the 18 counties where the payment is made to the State Tax Commission. These counties are Albany, Bronx, Chautauqua, Dutchess, Erie, Kings, Monroe, Nassau, New York, Niagara, Oneida, Onondaga, Orange, Queens, Rensselaer, Richmond, Suffolk and Westchester. A duplicate is sent to the executor of the estate. For the other 44 counties, payments are to be made to the County Treasurer as they are the only office authorized to issue receipts within these counties.
  - D. The final receipt is issued after the Order and Petition have been processed by the Accounts Control Unit in the Albany Office of the Department of Taxation and Finance.
  - E. If there is a credit balance on the account and the refund is requested, the refund must be processed and paid before a final receipt is issued.
  - F. No final receipt can be obtained when a resident affidavit (TT-102) is filed in lieu of the petition to determine the Estate Tax.