

Major Changes to Form 706-A, United States Additional Estate Tax Return (Rev. January 2008)

- On page 1, *Part I—General Information*, we added line 7 to assist with processing the form. Line 7 will be used by qualified heirs to indicate (by the checkbox) that he or she is making an election under section 1016(c) to increase the basis of section 2032A (specially valued) property. SBSE:S:C:CP.

- Also on page 1, *Part II—Tax Computation*, we added line 20 to further assist with processing the form. Line 20 will allow an entry item for reporting interest being paid on the additional estate tax due rather than noting such an amount in the margin of the form. SBSE:S:C:CP.

Major Changes for Instructions for Form 706-A, United States Additional Estate Tax Return (Rev. January 2008)

- On page 1, under *What's New* and *Penalties, Return preparer*, we added text to reflect the application of newly increased income tax return preparer penalties to all tax return preparers, including estate tax return preparers. Implan. #67.00120; Small Business and Work Opportunity Tax Act of 2007, P.L. 110-28, (Act Section 8246), IRC Section 6694 and Notice ~~2007-54, 2007-27 I.R.B. 12.~~ 2008-13
- Also on page 1, under *What's New*, and on page 2, under *Basis, Election to increase basis*, we added text to alert qualified heirs about the newly added line 7 with a checkbox to Part I—General Information and line 20 to Part II—Tax Computation. The addition of line 7 and line 20 facilitates the processing of Form 706-A. SBSE:S:C:CP.
- On page 1, under *Where To File*, we added the text “Department of the Treasury” to fulfill the three-line mailing address requirement per the Acting Chief, Individual Branch, email dated 9/6/2007.

In addition to the changes above, computations for Schedules A, B, & C were added, due to an inadvertent overlook previously. These changes resulted in an overall addition of 2 code references, 24 line items and 21 words causing an increase in burden hours to 1,678.