

SCHEDULE R—Generation-Skipping Transfer Tax

Note. To avoid application of the deemed allocation rules, Form 706 and Schedule R should be filed to allocate the GST exemption to trusts that may later have taxable terminations or distributions under section 2612 even if the form is not required to be filed to report estate or GST tax.

The GST tax is imposed on taxable transfers of interests in property located outside the United States as well as property located inside the United States. (see instructions)

Part 1. GST Exemption Reconciliation (Section 2631) and Special QTIP Election (Section 2652(a)(3))

You no longer need to check a box to make a section 2652(a)(3) (special QTIP) election. If you list qualifying property in Part 1, line 9 below, you will be considered to have made this election. See instructions for details.

1	Maximum allowable GST exemption	1
2	Total GST exemption allocated by the decedent against decedent's lifetime transfers	2
3	Total GST exemption allocated by the executor, using Form 709, against decedent's lifetime transfers	3
4	GST exemption allocated on line 6 of Schedule R, Part 2	4
5	GST exemption allocated on line 6 of Schedule R, Part 3	5
6	Total GST exemption allocated on line 4 of Schedule(s) R-1	6
7	Total GST exemption allocated to <i>inter vivos</i> transfers and direct skips (add lines 2–6)	7
8	GST exemption available to allocate to trusts and section 2032A interests (subtract line 7 from line 1)	8
9	Allocation of GST exemption to trusts (as defined for GST tax purposes):	

A Name of trust	B Trust's EIN (if any)	C GST exemption allocated on lines 2–6, above (see instructions)	D Additional GST exemption allocated (see instructions)	E Trust's inclusion ratio (optional—see instructions)

9D Total. May not exceed line 8, above		9D	
10	GST exemption available to allocate to section 2032A interests received by individual beneficiaries (subtract line 9D from line 8). You must attach special-use allocation statement (see instructions)	10	

Decedent's social security number

Estate of:

Part 2. Direct Skips Where the Property Interests Transferred Bear the GST Tax on the Direct Skips

Name of skip person	Description of property interest transferred	Estate tax value

1 Total estate tax values of all property interests listed above	1	
2 Estate taxes, state death taxes, and other charges borne by the property interests listed above	2	
3 GST taxes borne by the property interests listed above but imposed on direct skips other than those shown on this Part 2 (see instructions)	3	
4 Total fixed taxes and other charges (add lines 2 and 3)	4	
5 Total tentative maximum direct skips (subtract line 4 from line 1)	5	
6 GST exemption allocated	6	
7 Subtract line 6 from line 5	7	
8 GST tax due (divide line 7 by 3.5)	8	
9 Enter the amount from line 8 of Schedule R, Part 3	9	
10 Total GST taxes payable by the estate (add lines 8 and 9). Enter here and on line 17 of Part 2—Tax Computation	10	

Decedent's social security number

Estate of:

Part 3. Direct Skips Where the Property Interests Transferred Do Not Bear the GST Tax on the Direct Skips

Name of skip person	Description of property interest transferred	Estate tax value

1 Total estate tax values of all property interests listed above	1	
2 Estate taxes, state death taxes, and other charges borne by the property interests listed above . .	2	
3 GST taxes borne by the property interests listed above but imposed on direct skips other than those shown on this Part 3 (see instructions)	3	
4 Total fixed taxes and other charges (add lines 2 and 3)	4	
5 Total tentative maximum direct skips (subtract line 4 from line 1)	5	
6 GST exemption allocated	6	
7 Subtract line 6 from line 5	7	
8 GST tax due (multiply line 7 by .40). Enter here and on Schedule R, Part 2, line 9	8	