



STATE OF HAWAII—DEPARTMENT OF TAXATION
HAWAII GENERATION-SKIPPING TRANSFER TAX REPORT

For calendar year **20** ____

(For generation-skipping transfers after June 30, 1994)

READ INSTRUCTIONS BEFORE COMPLETING REPORT

Name _____
(Skip person distributee or trust)

Social Security Number _____ Federal Employer Identification Number _____

Name and title of person filing report _____

Address of person filing report _____
(Number and Street, including apartment number or rural route; City, town or post office, State and ZIP code)

Type of Federal Generation-Skipping Transfer Tax Return Filed: Form 706-GS(D) Form 706-GS(T)

COMPUTATION OF TAX	1	Enter the maximum state generation-skipping transfer tax credit allowable for federal generation-skipping transfer (GST) tax purposes (limited to 5% of the amount of the federal GST tax imposed on the transfer(s)) Note: If any property is located in states other than Hawaii, complete Lines 2 through 7, otherwise go to Line 8	1	
	2	Enter the gross value of transferred property located outside of Hawaii which is subject to federal GST tax (See Instructions)	2	
	3	Enter the gross value of all transferred property which is subject to federal GST tax	3	
	4	Divide Line 2 by Line 3 (compute to three decimal places)	4	
	5	Multiply Line 1 by Line 4	5	
	6	Enter the total GST taxes paid to another state(s)	6	
	7	Enter the lesser of Line 5 or Line 6 (allowable credit for GST taxes paid to another state(s))	7	
	8	Hawaii Generation-Skipping Transfer Tax (Line 1 minus Line 7 or amount from Line 1 if no entries in Lines 2 through 7)	8	
PENALTY AND INTEREST	9	Penalty: 5% per month or fraction thereof (Maximum of 25%)	9	
	10	Interest From _____ to _____	10	
TAX	11	TOTAL TAX , PENALTY, AND INTEREST (LINE 8 PLUS LINES 9 & 10)	11	
	12	Amount paid with extension	12	
	13	Balance due or (refund) (Line 11 minus Line 12)	13	

I declare, under the penalties set forth in section 231-36, HRS, that this report (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete report, made in good faith, for the taxable year stated, pursuant to the Hawaii Estate and Transfer Tax, Chapter 236D, HRS.

PLEASE SIGN HERE	 Signature of Distributee, Trustee, or Authorized Representative		 Date	
	PAID PREPARER'S USE ONLY	Preparer's Signature	Preparer's identification number	
Print Preparer's Name				
Firm's name (or yours if self-employed), address, and Zip code		Federal E.I. No.	Phone No.	

**FORM M-6GS
(REV. 2004)**

GENERAL INSTRUCTIONS

1. Purpose of Form — Section 236D-3.5, Hawaii Revised Statutes, provides for a state generation-skipping transfer (GST) tax. The tax is imposed on all generation-skipping transfers of property in Hawaii or property from a resident trust. Property subject to Hawaii GST tax includes all real and personal property subject to the federal GST tax. Hawaii GST tax is equal to the amount of the federal credit for state taxes allowed by Internal Revenue Code section 2604.

A credit is allowed for GST taxes paid to another state. If the GST is subject in another state to a similar tax and qualifies for the federal credit, the amount of the tax due is credited with the lesser of (1) the amount of the tax paid to the other state and credited against the federal tax; or (2) an amount computed by multiplying the federal credit by a fraction, the numerator of which is the value of the property subject to GST tax paid to the other state, and the denominator of which is the value of all property subject to the federal GST tax. If either (1) or (2) results in an amount less than the total federal credit allowed being paid to all states which may claim any part of the credit, then the interested states may agree to a fair and equitable apportionment of the credit without regard to the residence of the trust. The GST tax, applies to transfers after June 30, 1994.

2. Who Must File — The Form M-6GS is filed by the person or persons responsible for filing the federal GST tax return.

3. Time to File — This report is due on or before the date the federal GST tax return is required to be filed, i.e., on or after January 1 but not later than April 15 of the year following the calendar year when the distributions were made, including any extensions of time for filing the federal return provided a copy of the approved federal extension is filed with the Hawaii Department of Taxation within 30 days of issuance.

4. Where to File — The completed report is mailed to the Hawaii Department of Taxation, Estate and Transfer Tax Section, P. O. Box 259, Honolulu, HI 96809-0259.

5. Payment of Tax — Due date of payment is the same as time for filing. However, any tax due but not paid by the due date will incur interest from the due date, regardless of any extension of time to file the report or pay the tax. For taxable distributions, the GST tax is paid by the transferee; in the case of a taxable termination or a direct skip from a trust, the tax is paid by the trustee. For a direct skip other than a direct skip from a trust, the transferor is liable for paying the tax.

6. Estimated Tax Payment — Persons who will be filing Form M-6GS after the filing deadline (by April 15 of the year following the calendar year when the distributions were made or the

termination occurred) because they have an approved federal extension may make an estimated tax payment prior to filing Form M-6GS by submitting a copy of the approved federal extension with a cover letter and payment for the estimated tax due.

7. Federal Form Requirement — A complete true copy of the appropriate Federal Generation-Skipping Tax Return Form 706-GS(D) or Form 706-GS(T) must be filed with this report.

8. Changes to Federal Generation-Skipping Tax Return (Form 706-GS(D) or 706-GS(T)) or Federal Generation-Skipping Tax — The State Department of Taxation must be notified immediately if the federal Form 706-GS(D) or 706-GS(T) is amended or there is a change in the federal tax liability, including a federal estate tax audit or a refund claim. A Hawaii amended report must be filed. Complete Form M-6GS, write "AMENDED" at the top of the report, and attach a true copy of the dated notice of change from the Internal Revenue Service or a true copy of the amended federal return.

An amended report must be filed anytime the Hawaii report needs adjustment. In the case of property located in states other than Hawaii, a Hawaii amended report must also be filed when the tax paid to other states changes. Interest or penalties paid to other states for delinquent tax payments cannot be included on line 6.

9. Penalty and Interest —

(a) *Penalty* for failure to file is equal to 5% of the tax due for each month or part of a month that the report is delinquent, up to a maximum of 25% of the tax payable.

(b) *Interest* is computed on underpayment or nonpayment of tax at a rate of 2/3 of 1% a month or part of a month which begins to run after April 15 of the year following the calendar year when the distribution or termination occurs, *regardless* of any extension to file the report or pay the tax.

SPECIFIC INSTRUCTIONS

Name — Enter the name of the skip-person distributee or the trust.

Social Security Number — For skip person distributees who are individuals, enter the distributee's social security number, otherwise leave blank.

Federal Employer Identification Number — Enter the federal employer identification number of the trust distributee or trust.

Name and Title of Person Filing Return — If the skip person distributee is a trust, enter the trustee's name. If the skip person distributee is a minor or is under some disability that precludes the individual from filing the report, enter the name of the person who is legally responsible for conducting the affairs of the distributee, such as a parent or guardian, also, include the title or relationship to the distributee.

Address — Enter the address of the person filing the report.

Type of Federal Return Filed — Check the appropriate box. Be sure to attach a complete true copy of the appropriate federal return to this report.

Line 1 — Enter the maximum credit for state GST taxes from federal Form 706-GS(D) or 706-GS(T). If a generation-skipping transfer (other than a direct skip) occurs at the same time as, or as a result of, the death of an individual, a credit is allowed against the federal GST tax for the GST tax actually paid to any state in respect to any property included in the generation-skipping transfer, *however*, the aggregate amount allowed as a credit is limited to 5% of the amount of the federal GST tax imposed on the transfer(s).

Complete lines 2 through 7 ONLY if there is property located in states other than Hawaii.

Line 2 — Enter the appropriate gross value:

A. *Resident*, enter the entire value of the transferred or distributed property located outside of Hawaii (includes intangible and tangible property with a situs outside Hawaii).

B. *Nonresident*, enter the entire value of the transferred or distributed property *less* the value of any interest in Hawaii real and tangible personal property located in Hawaii. Include the amount of intangible property with a business situs in Hawaii. (Identify Hawaii property on federal Form 706-GS(D) or 706-GS(T)).

Line 3 — Enter the gross value of the transferred property. This amount is the total gross transfers reported on the federal return. This gross amount is prior to any adjustments for expenses or any other allowable deductions used in computing the taxable transfer amounts.

Line 6 — Enter the total of all GST taxes actually paid to any state other than Hawaii in respect of any property subject to the GST tax.

Line 7 — Compare lines 5 and 6 and enter the lesser amount. This is the allowable credit for GST taxes paid to another state(s).

Line 13 — Pay the amount shown. Attach a check or money order payable to "Hawaii State Tax Collector"; pay in U.S. dollars drawn on any U.S. bank. Do not send cash.