

**IN THE DISTRICT COURT OF IOWA**  
**IN AND FOR \_\_\_\_\_ COUNTY**

IN THE MATTER OF THE ESTATE

PROBATE NUMBER \_\_\_\_\_

OF \_\_\_\_\_, DECEASED

**ELECTION AND APPLICATION FOR DEFERRAL OF INHERITANCE TAX**

TO THE IOWA DEPARTMENT OF REVENUE

The undersigned beneficiaries make application for deferral of inheritance tax as follows:

1. That the following beneficiaries of this estate, from whom inheritance tax is due and owing, have elected to defer the payment of said tax until the termination of a prior estate. The beneficiaries electing to defer are:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

2. That the property interest of the above-named beneficiaries on which the election to defer is made is described as follows:

3. That the security for the payment of the inheritance tax due upon the termination of the prior estate is:

- (1) A lien on the real estate, of which the deferred estate is a part.
- (2) A bond in the sum of \$ \_\_\_\_\_
- (3) \_\_\_\_\_

4. That the inheritance tax due from the other beneficiaries of this estate has been paid.

WHEREFORE, the undersigned requests that the Iowa inheritance tax due from the above-named beneficiaries on the above-described property interest be deferred until the termination of the prior estate in said property.

**Dated**                      **Signature of Beneficiaries**

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**CERTIFICATE OF DEFERRAL OF INHERITANCE TAX**

Pursuant to the foregoing election and application, the Iowa Department of Revenue hereby defers the Iowa inheritance tax due from the above-named beneficiaries on the property interest described in the foregoing application until the termination of the prior estate in said property. The Iowa Department of Revenue hereby certifies that this deferral has been entered in the records of the Tax Management Division of the Department and that the security for payment of the deferred tax is as stated in said application.

Iowa Department of Revenue Number:

IOWA DEPARTMENT OF REVENUE

By: \_\_\_\_\_

Date: \_\_\_\_\_

**General**

1. Inheritance tax on a deferred interest must be paid on or before the last day of the ninth month after the date of death of the life tenant, subject to the due date falling on a Saturday, Sunday, or legal holiday, which would then make the return due on the following business day.
2. Separate applications for deferral of inheritance tax must be made for each property. Please include an attachment, if additional space is needed. Complete copies of the IA 706 (Iowa Inheritance Tax Return), the will and/or trust instrument, and valuation documents must be enclosed.
3. You have two options to file the documents:
  - Electronically submit using [govconnect.iowa.gov](https://govconnect.iowa.gov)
  - Mail to:  
Fiduciary/Inheritance  
Iowa Department of Revenue  
PO Box 10467  
Des Moines, IA 50306-0467
4. If this application is approved, include one copy with the supplemental return at the time of filing.

**Inheritance Tax Applications**

1. If deferral is chosen, an inheritance tax clearance cannot be issued for the estate and expenses cannot be used to offset the value of the deferred remainder interest.
2. A supplemental IA 706 will be filed for the grantor of the life estate following the death of the life tenant. Write the word 'SUPPLEMENTAL' at the top of the IA 706 and the current fair market value of the deferred property must be reported on the return. The inheritance tax calculated will be based on the tax rates at the grantor's date of death.
3. Penalties and interest are not imposed if the inheritance tax is paid on or before the last day of the ninth month from the date of the death of the life tenant.
4. A separate IA 706 for the life tenant will need to be filed if their estate meets the filing requirements.
5. The Department's determination will be returned to the Executor and the Power of Attorney, if Power of Attorney was authorized. If this application is approved, include one copy with the return at the time of filing.

**Assistance**

Additional information can be found:

- On the Department's website ([revenue.iowa.gov](https://revenue.iowa.gov))
- Iowa Administrative Code rules 701—900.14(9), 701—900.2, 701—900.9 ([www.legis.iowa.gov](https://www.legis.iowa.gov))
- By emailing the Department ([idr@iowa.gov](mailto:idr@iowa.gov))
- By calling Taxpayer Services at (515) 281-3114 or (800) 367-3388