



STATE OF DELAWARE  
DEPARTMENT OF FINANCE  
DIVISION OF REVENUE  
601 Delaware Avenue  
Wilmington, Delaware 19899

DIVISION OF REVENUE  
\* TAX RULING 77-1

January 12, 1977

- Gift Tax Returns and Payments

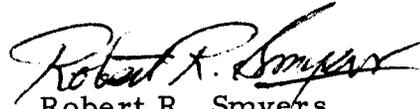
Under Delaware Law (Chapter 14, Title 30) the amount of taxable gifts are determined by reference to Federal Gift Tax Law (except that the Federal specific lifetime exemption is not allowed). The statute does not specify the date a gift tax return is due, but it does provide that payment of the gift tax is due 1 1/2 months following the close of the calendar quarter in which the taxable gifts were made. Further, the law provides that if a Federal extension of time for payment of the Federal Gift Tax is granted, then notice of such extension to the Division of Revenue shall serve as an automatic extension of time for payment of the Delaware Gift Tax. Since prior Federal Law required quarterly returns and payments, Delaware also required quarterly returns.

The Tax Reform Act of 1976 amends Federal Law so that Federal Gift Tax returns will be required to be filed on an annual calendar year basis on February 15 (instead of quarterly), unless total taxable gifts during a calendar quarter (plus all other unreported taxable gifts during the calendar year) exceed \$25,000. If the gifts exceed the \$25,000 limitation in any quarter, a quarterly gift tax return must be filed within 1 1/2 months following the close of the quarter.

In view of the automatic extension provision for payment, and the intent of the Delaware Law to "piggy back" the Federal Law, pursuant to authority set forth in Section 1405, it is concluded that Delaware Gift Tax returns meeting the filing requirements prescribed



under the revised Federal Law will be considered to be timely filed, pending legislative clarification of the law. Delaware Gift Tax Form No. 500, and accompanying instructions, will be modified accordingly.



Robert R. Smyers  
Acting Director of Revenue

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