

# Filing on Behalf of a Deceased Taxpayer

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Income Tax Fact Sheet 9

Fact Sheet

As a surviving spouse or personal representative (executor) for an estate of someone who has died, you may have questions about your responsibilities, including:

- How to file the decedent's final Minnesota income tax return
- When to claim a property tax refund using Form M1PR, *Homestead Credit Refund (for Homeowners) and Renter's Property Tax Refund*
- When to claim a military service credit using Form M99, *Credit for Military Service in a Combat Zone*
- How to claim state tax refunds due the decedent

This fact sheet will help you understand the basic requirements and answer many of your questions.

## Decedent's Final Minnesota Income Tax Return

If the decedent was a Minnesota resident and a final federal income tax return is required to be filed for a decedent for the year of death, a final state income tax return is also required. Use the same filing status as was used to file the final federal return. If a personal representative has been appointed, the personal representative is responsible for filing the decedent's final return for the year of death, even if there is a surviving spouse.

### Personal Representative

If the decedent was married at the time of death, the personal representative may choose to file the decedent's final return jointly with the surviving spouse or married, filing separately.

### Filing Jointly

If you choose to file jointly with the surviving spouse, both you and the surviving spouse must sign the return. If the joint return results in a refund, the surviving spouse will receive the refund. If tax is due, both you—the personal representative—and the spouse are equally responsible for paying the tax. To complete a joint return, see the instructions in the next column.

### Filing Separately

If you file the decedent's final return separately from the surviving spouse and the return results in a refund, you will receive the decedent's refund on behalf of the estate. If the return results in tax due, you are fully responsible for paying the tax.

Follow the steps below to complete the Minnesota income tax return:

1. Enter the deceased person's name and your address in the name and address section.
2. Print *DECD* and the date of death after the decedent's last name.
3. Sign the return as the personal representative.
4. Enclose a copy of the court document appointing you as personal representative when you file the decedent's final return.

## Surviving Spouse

### Filing Jointly

Follow the steps below to file a joint final Minnesota income tax return:

1. Enter your name and address and your deceased spouse's name in the name and address section.
2. Print *DECD* and the date of death after the decedent's last name.
3. Sign your name and, if a personal representative has been appointed, he or she must also sign the return as the personal representative. If no personal representative has been appointed, print *Deceased* in place of the spouse's signature at the bottom of the return.
4. Enclose a copy of the death certificate when you file the final Minnesota income tax return.

If the final return results in a refund, you will receive the refund in your name only.

### Filing Separately

Follow the steps below to file a separate return for your deceased spouse for the year of death:

1. Enter your deceased spouse's name and your address in the address section.
2. Print *DECD* and the date of death after the decedent's last name.
3. Sign the return and state your relationship to the decedent.
4. Enclose a copy of the death certificate when you file the final Minnesota income tax return.

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If the final return results in a refund, you must also complete and enclose Form M23, *Claim for a Refund For a Deceased Taxpayer*, or an Affidavit for Collection of Personal Property with the Minnesota income tax return.

### **No Personal Representative, No Surviving Spouse**

If no personal representative has been appointed, there is no surviving spouse, and the value of the probate estate is less than \$75,000, the decedent's child, grandchild, parent, brother or sister, or child of the decedent's brother or sister may file the decedent's final return.

Follow the steps below to file the final Minnesota income tax return:

1. Enter the deceased person's name and your address in the name and address section.
2. Print *DECD* and the date of death after the decedent's last name.
3. Sign the return at the bottom and state your relationship to the decedent.
4. Enclose a copy of the death certificate when you file the final Minnesota income tax return.

If the final return results in a refund, you must also complete and enclose Form M23 or an Affidavit for Collection of Personal Property with the Minnesota income tax return.

### **Filing Form M1PR on Behalf of the Decedent**

Only a surviving spouse or a dependent of the decedent may file a Homestead Credit Refund (for Homeowners) or Renter's Property Tax Return on behalf of a deceased person. You are considered a dependent if you are eligible to be claimed as a dependent on the decedent's federal income tax return for the year you are filing. No one else, including the appointed personal representative, can apply for the decedent's property tax refund.

Likewise, if a person died after filing a Homestead Credit Refund (for Homeowners) or Renter's Property Tax Return but prior to the check being issued, the refund can be paid only to the surviving spouse, or, in some cases, a dependent. However, an uncashed check issued prior to death is considered part of the estate and can be paid to the personal representative.

### **Surviving Spouse**

If you are the surviving spouse, how you complete a Homestead Credit Refund (for Homeowners) or Renter's Property Tax Return is different depending on if your spouse died during the tax year for which you are applying or the following year.

**If your spouse died in the year for which the refund applies**, you may apply for the refund in your name only using your income for the full year and your spouse's income up to the date of his or her death.

**If your spouse died in the following year but before applying for the property tax refund**, you must complete a joint Homestead Credit Refund (for homeowners) or Renter's Property Tax Return. Enter both names on the return and use both incomes for the entire year. Print *DECD* and the date of death after the decedent's last name. Enclose a copy of the death certificate when you file.

**If you and your deceased spouse had separate residences (e.g., one spouse lived in a nursing home) during the year your spouse was alive**, you may apply for your deceased spouse's refund by filing a separate Homestead Credit Refund (for Homeowners) or Renter's Property Tax Return on his or her behalf.

1. Enter your spouse's name and your address in the name and address section.
2. Print *DECD* and the date of death after the decedent's last name.
3. • **If you did not live with your spouse for any part of the year**, include only your spouse's income through his or her date of death.  
• **If you lived with your spouse for only part of the year**, include your spouse's income through his or her date of death and your income for the time you were married and living together.
4. Sign the return as the surviving spouse.
5. Enclose a completed claim for refund due a deceased taxpayer and a copy of the death certificate with the Homestead Credit Refund (for Homeowners) or Renter's Property Tax Return.

### **Dependent**

If you are a dependent of the decedent and there is no surviving spouse, you may apply for the decedent's property tax refund.

1. Enter the decedent's name and your address in the name and address section.
2. Print *DECD* and the date of death after the decedent's last name.
3. Sign the return and state your relationship to the decedent.
4. Complete and enclose a claim for refund due a deceased taxpayer and a copy of the death certificate when you file the decedent's Homestead Credit Refund (for Homeowners) or Renter's Property Tax Return.

### **Filing for a military service credit on behalf of the decedent**

If the person eligible for the military service credit has died, the credit may be claimed by certain family members or personal representatives depending on the year and circumstances of the death.

The following individuals can claim the credit (listed in order of eligibility):

1. A surviving spouse who has filed a joint federal income tax return with the decedent, for the year in which the decedent died.
2. A personal representative appointed by the court to represent the estate. To be eligible, a surviving spouse cannot be filing a joint federal income tax return with the decedent. The personal representative must enclose a copy of the court document showing appointment as personal representative.

3. The first living person from the list below. To be eligible, no individual meets the qualifications in step 1 or 2, and the value of the estate must be less than \$75,000. The eligible persons, in order, are:
- A surviving spouse who did not file a joint federal income tax return with the decedent.
  - The decedent’s children.
  - The decedent’s grandchildren.
  - The decedent’s father and mother.
  - The decedent’s brothers and sisters.
  - The children of the decedent’s brothers and sisters.

**To claim the credit,** complete a claim for refund due a deceased taxpayer and include it, along with a copy of the decedent’s death certificate, when you file for the credit. Mail the form and certificate to the address on the form.

The estate of a deceased service member may claim the credit. In addition, the death does not need to be combat related. The claim for credit for military service in a combat zone must be filed with a claim for refund due a deceased taxpayer.

**Note:** The military service credit expires on October 15 three years after the year of service. For example, the military service credit for service from January 1 to December 31, 2015 expires on October 15, 2019.

**Other things to know**

**Child and dependent care credit.** The taxpayer must be alive when claiming a child and dependent care credit. If the decedent died before filing a Minnesota income tax return, no credit is allowed on the final return. If the decedent died after filing, any claimed credit may be paid to a member of the household or to the personal representative, if the decedent was the only member of the household.

**When filing electronically.** If you are electronically filing the decedent’s Minnesota income tax return, Homestead Credit Refund (for Home-owners), or Renter’s Property Tax Refund, be sure to fax a copy of the decedent’s death certificate and any other required enclosures to the department at 651-556-3124 at least one business day before you electronically file the return.

**Fiduciary income tax.** The decedent’s estate starts on the date of death of the decedent. After that, income is no longer attributable to the decedent. Instead, probate income is reported as income of the estate and nonprobate income is reported by the individual or entity receiving the income.

The personal representative reports the estate’s income by filing a Minnesota income tax return for estates and trusts for each year the estate is open. A return is required for each tax year in which the estate has either \$600 or more of gross income assignable to Minnesota, or a nonresident alien as a beneficiary.

**Estate tax on the decedent’s assets.** Minnesota does not have an inheritance tax. However, Minnesota does have an estate tax that is imposed on the *value of the decedent’s assets* as of the date of death.

If on the date of death the decedent’s total gross assets were equal to or more than the amounts shown below for the year the decedent died, you may be required to file federal Form 706, *United States Estate (and Generation-Skipping Transfer) Tax Return*, and/or Form M706, *Minnesota Estate Tax Return*:

Year of death	Value of estate	
	Minnesota	Federal
2010 . . . . .	\$1,000,000 . . . . .	No estate tax
2011 . . . . .	\$1,000,000 . . . . .	\$5,000,000
2012 . . . . .	\$1,000,000 . . . . .	\$5,120,000
2013 . . . . .	\$1,000,000 . . . . .	\$5,250,000
2014 . . . . .	\$1,200,000 . . . . .	\$5,340,000
2015 . . . . .	\$1,400,000 . . . . .	\$5,430,000
2016 . . . . .	\$1,600,000 . . . . .	\$5,450,000
2017 . . . . .	\$2,100,000 . . . . .	\$5,490,000
2018 . . . . .	\$2,400,000 . . . . .	\$11,180,000

**Early audit request.** The personal representative may request an early audit of the Minnesota income tax return and Minnesota estate income tax returns by filing a request for early audit of Minnesota income tax returns. The statute of limitations—the period of time in which the department may audit the returns—is reduced to 18 months from the date on which the request for early audit is filed.

**Information and Assistance**

Additional forms and information, including fact sheets and frequently asked questions, are available on our website.

Website: [www.revenue.state.mn.us](http://www.revenue.state.mn.us)

Email: [individual.incometax@state.mn.us](mailto:individual.incometax@state.mn.us)

Phone: 651-296-3781 or 1-800-652-9094

This information is available in alternate formats.