

Income Tax Fact Sheet 9, Filing on Behalf of a Deceased Taxpayer

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

- How to file the deceased person'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 the deceased person's state tax refunds

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

Deceased person's Final Minnesota Income Tax Return

If the deceased person was a Minnesota resident and a final federal income tax return is required for their 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 was appointed, the personal representative must file the deceased person's final return for the year of death, even if there is a surviving spouse.

Personal Representative

If the deceased person was married at the time of death, the personal representative may file the final return jointly with the surviving spouse or as Married Filing Separately.

Filing Jointly

If you choose to file a joint return for the deceased person, 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.

Filing Separately

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

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 deceased person'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 deceased person'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 your spouse's last name.
3. Sign your name. If a personal representative has been appointed, they must also sign the return. 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 your spouse's 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 your spouse's last name.
3. Sign the return and state your relationship to the deceased spouse.
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, *Claim for a Refund For a Deceased Taxpayer*, or an Affidavit for Collection of Personal Property with the Minnesota income tax return.

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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 deceased person's child, grandchild, parent, sibling, or child of the deceased person's sibling may file the 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 deceased person's last name.
3. Sign the return at the bottom and state your relationship to the deceased person.
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 a Deceased Person

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

Likewise, if a person died after filing a property tax refund return but prior to the check being issued, the refund can be paid only to the surviving spouse, or, in some cases, a dependent. 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 property tax refund return is different depending on when your spouse died.

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 their death.

If your spouse died in the following year but before applying for the property tax refund, you must complete a joint property tax refund return. Enter both names on the return and use both incomes for the entire year. Print *DECD* and the date of death after your spouse'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 property tax refund return on their 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 your spouse'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 their date of death.
If you lived with your spouse for only part of the year, include your spouse's income through their 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 property tax refund return.

Dependent

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

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 their last name.
3. Sign the return and state your relationship to the deceased person.
4. Complete and enclose a claim for refund due a deceased taxpayer and a copy of the death certificate when you file the deceased person's property tax refund return.

Filing for a military service credit on behalf of the deceased person

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 deceased person for the year in which they 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 deceased person. 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 deceased person
 - The deceased person's children
 - The deceased person's grandchildren
 - The deceased person's parents

- The deceased person’s siblings
- The children of the deceased person’s siblings

To claim the credit, complete a claim for a deceased person’s refund and include it, along with a copy of their 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, 2018 expires on October 15, 2022.

Other things to know

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

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

Fiduciary income tax. The deceased person’s estate starts on the date of their death. After that, income is no longer attributable to the deceased person. 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 deceased person’s assets. Minnesota does not have an inheritance tax. Instead, Minnesota does have an estate tax that is imposed on the **value of the deceased person’s assets** as of the date of death.

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

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
2019	\$2,700,000	\$11,400,000
2020	\$3,000,000.	\$11,580,000
2021	\$3,300,000.	\$11,700,000

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

Email: individual.incometax@state.mn.us

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

This information is available in alternate formats.