



2001 Legislation Affecting the Succession Tax

Purpose: This Special Notice describes 2001 legislation eliminating the requirement that any person, firm, corporation, or association in possession of property of a decedent obtain the written consent of the Department of Revenue Services (DRS) prior to transferring the decedent's property.

Effective Date: July 1, 2001.

Statutory Authority: 2001 Conn. Pub. Acts 9 (June Spec. Sess.), §130, repealing Conn. Gen. Stat. §12-382.

Consents No Longer Required: Any person, firm, corporation, or association in possession of property of a decedent may now transfer the property without first obtaining written consent of DRS. Before passage of 2001 Conn. Pub. Acts 9 (June Spec. Sess.), §130, the law generally prohibited the transfer of the property without first obtaining the written consent of DRS, if the transfer of the property was subject to the Connecticut succession tax. Because the succession tax is gradually being repealed, the General Assembly has repealed the law prohibiting the transfer of a decedent's property without first obtaining the written consent of DRS. (For more information on the phase-out of the succession tax, see **Special Notice 95(18)**, *1995 Legislative Changes Affecting the Succession and Transfer Taxes and the Estate Tax*.)

Accordingly, DRS will no longer issue consents to transfer, regardless of the decedent's date of death.

Effect on Banks, Trust Companies, Savings and Loan Associations, and Credit Unions: Banks, trust companies, savings and loan associations, and credit unions are no longer required to notify DRS about the death of a decedent who had an interest in a

joint bank or trust account, where the proceeds are payable to the survivor. Before passage of 2001 Conn. Pub. Acts 9 (June Spec. Sess.), §130, the law required these institutions to notify DRS about a decedent's death once the institution had been notified by the survivor about the decedent's death.

Effect on Retirement or Pension Plans, Trusts, or Contracts Receivable After a Decedent's Death: Payors are no longer required to cease making payments, following the expiration of a period of six months after the date of death of a decedent, under any retirement or pension plan, trust, or contract to any beneficiary designated by the decedent under the plan, trust, or contract. Before passage of 2001 Conn. Pub. Acts 9 (June Spec. Sess.), §130, the law required a payor to cease making payments, following the expiration of a period of six months after the date of death of a decedent, under any retirement or pension plan, trust, or contract receivable after the death of the decedent by any beneficiary designated under the plan, trust, or contract, unless the payor had received the written consent of DRS or a fiduciary's certificate of appointment by a Connecticut probate court.

Effect on Other Documents: Announcement 98(3), *Transfers, Payments or Delivery of Property of a Decedent's Estate without the Written Consent of the Commissioner*, is obsoleted and may not be relied upon on or after July 1, 2001.

Effect of This Document: A Special Notice is a document that announces a new policy or practice in response to changes in State or federal laws or regulations or to judicial decisions. A Special Notice indicates an informal interpretation of Connecticut tax law by DRS and may be referred to for general guidance by taxpayers or tax practitioners.

For Further Information: Please call DRS during business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday:

- **1-800-382-9463** (toll-free within Connecticut), or
- **860-297-5962** (from anywhere)

TTY, TDD, and Text Telephone users only may transmit inquiries 24 hours a day by calling 860-297-4911.

Forms and Publications: Forms and publications are available all day, seven days a week:

- **Internet:** Preview and download forms and publications from the DRS Web site: www.drs.state.ct.us
- **DRS TAX-FAX:** Call **860-297-5698** from the handset attached to your fax machine and select from the menu.
- **Telephone:** Call **860-297-4753** (from anywhere), or **1-800-382-9463** (toll-free within Connecticut) and select **Option 2** from a touch-tone phone.

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Succession Tax
Consents to Transfer
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