

Schedule CT-709 Farmland

Calendar Year
2005

(Rev. 9/05)

Purpose: To report the fair market value of farmland based on its highest and best use as of the date of gift.

| | | |
|---------------------------------------|-----------|--|
| Donor's First Name and Middle Initial | Last Name | Social Security Number |
| | | _____ : _____ : _____ _____ : _____ : _____ |
| Address (number and street) | PO Box | For Department Use Only |
| | | _____ - _____ - 20 |
| City, Town, or Post Office | State | ZIP Code |

Schedule of Farmland

| A Gift No. | B • Donee's name and address • Donee's Social Security Number • Relationship to donor (if any) • Description of gift Include the town, volume, and page number of land records at which the deed of gift is recorded. | C Date of gift | D Fair market value of farmland at date of gift | E Value as farmland at date of gift |
|---------------|--|-------------------|--|--|
| 1 | | | | |
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F. Enter the additional gift tax that may become due if the farmland is subsequently transferred or reclassified. (See instructions.) \$ _____ .00

If you are claiming special valuation on a gift of farmland, this schedule must be attached to **Form CT-706/709**.
 You must also furnish a copy of this schedule and the instructions on the reverse side to the donee.

Declaration: I declare under penalty of law that I have examined this return (including any accompanying schedules and statements) and, to the best of my knowledge and belief, it is true, complete, and correct. I understand the penalty for willfully delivering a false return to DRS is a fine of not more than \$5,000, or imprisonment for not more than five years, or both.

| | |
|-------------------|------|
| Donor's Signature | Date |
|-------------------|------|

Schedule CT-709 Farmland

Who Must File

Any donor who makes a gift of land classified as farmland under Conn. Gen. Stat. §12-107c to a lineal descendant or the spouse of a lineal descendant must complete and attach this schedule to **Form CT-706/709, Connecticut Estate and Gift Tax Return**, if the land is valued based upon its current classification and use as farmland.

Transfers of Farmland or Change of Classification

If land that is valued as farmland under Conn. Gen. Stat. §12-646ac is within ten years:

- Transferred by the donee to anyone other than a lineal descendant or spouse of the lineal descendant; **or**
- **No longer classified** as farmland,

the donee (or the donee's lineal descendant or the descendant's spouse if the farmland has been transferred by the donee to the donee's lineal descendant or the descendant's spouse) must file this schedule and pay the tax due. The tax is computed by subtracting the tax paid by the donor from the tax that would have been due from the donor if the donor had filed Form CT-706/709 using the fair market value of the farmland as reported on federal Form 709, Schedule A.

Donor Instructions

1. Enter the donor's name, mailing address, and Social Security Number at the top of the schedule.
2. Complete Columns A through E of this schedule for each gift.

Column A – Number each gift.

Column B – Enter the donee's identifying information and a complete description of the farmland being transferred, including the volume and page number of the land records of the town in which the deed of gift is recorded. This information should match the description on Form CT-706/709, *Schedule A*, Column B. Attach a copy of the deed that shows its receipt and recording by the town clerk.

Column C – Enter the date of the gift.

Column D – Enter the fair market value of the farmland, based on its highest and best use, as of the date of the transfer. This should match the amount on federal Form 709, Schedule A.

Column E – Enter the value of the farmland based upon its current use as farmland as of the date of the transfer. This should match the amount on Form CT-706/709, *Schedule A*, Column E.

3. Calculate any additional gift tax that may become due and enter on **Line F**. Calculate the additional gift tax that would have been due if the donor filed Form CT-706/709 using the

fair market value of the farmland as reported on federal Form 709, Schedule A. Subtract the actual tax reported on Form CT-706/709, Section 1, Line 4, from the tax that would have been due if the donor filed Form CT-706/709 using the fair market value of the farmland.

4. **Donor's signature** – Sign and date this schedule.
5. Give the donee(s) a copy of this schedule and the instructions.
6. Attach this schedule to your Form CT-706/709.

Donee Instructions

A donee is liable for additional gift tax if, within ten years of the original gift, the farmland is transferred to a nonlineal descendant or is no longer classified as farmland. If this occurs, the donee must submit to the Department of Revenue Services (DRS):

1. A copy of the **Schedule CT-709 Farmland** provided to the donee by the donor; **and**
2. A written statement that includes the date:
 - a. The land was transferred to a person other than the donee's lineal descendant or the lineal descendant's spouse; **or**
 - b. The classification of the land was changed from farmland.

Due Date of Additional Tax

The amount of additional gift tax due is the amount entered on Line F on the front of this schedule. You must file this schedule and pay the tax due no later than 60 days following the transfer or reclassification. Interest accrues at the rate of 1% (.01) per month or fraction of a month from the due date to the date of payment.

Pay the amount of additional gift tax due in full with this schedule. **Do not send cash.** Make your check or money order payable to: **Commissioner of Revenue Services**. Write "2005 Schedule CT-709 Farmland" on the front of your check or money order in the lower left corner. Writing your SSN on the front of your check or money order ensures accuracy and timeliness in processing your payment. DRS may submit your check to your bank electronically.

Mail to:

**Department of Revenue Services
PO Box 2978
Hartford CT 06104-2978**

Extension of Time to Pay

The Commissioner may, for good cause, extend the time for payment of the tax if the donee (or, if the land was transferred to the donee's lineal descendant or the descendant's spouse) files a written application with the Commissioner on or before the 60-day period expires.