
State of South Carolina
Department of Revenue
301 Gervais Street, P.O. Box 125, Columbia, South Carolina 29214

SC REVENUE PROCEDURAL BULLETIN #01-1

- SUBJECT:** Inventory and Appraisement Form
(Estate Tax)
- EFFECTIVE DATE:** Applies to all periods open under the statute.
- SUPERSEDES:** All previous advisory opinions and any oral directives in conflict herewith.
- REFERENCES:** S. C. Code Ann. Section 62-3-704 (Supp. 2000)
S. C. Code Ann. Section 62-3-706 (Supp. 2000)
S. C. Code Ann. Section 12-16-1220 (2000)
- AUTHORITY:** S. C. Code Ann. Section 12-4-320 (2000)
S. C. Code Ann. Section 1-23-10(4) (Supp. 2000)
SC Revenue Procedure #99-4
- SCOPE:** The purpose of a Revenue Procedural Bulletin is to provide procedural guidance to the public and Department personnel. It is a written statement issued to assist in the administration of laws and regulations by providing guidance that may be followed in order to comply with the law. A Revenue Procedural Bulletin does not have the force or effect of law, and is not binding on the public. It is, however, binding on agency personnel until superseded or modified by a change in statute, regulation, court decision, or advisory opinion.

INTRODUCTION

The purpose of this advisory opinion is to set forth the inventory and appraisement information required by the Department on Probate Court Form 350 - "Inventory and Appraisement," Schedules D (Part II), G, H, and I. The procedure outlined below was instituted by a former Director of the Department on July 31, 1997, after discussions with several probate judges and interested lawyers to minimize the disclosure of private information which is unnecessary for the performance of the Probate Court or Department of Revenue's legal functions.

LAW

South Carolina Probate Code §62-3-704 provides that a personal representative shall proceed expeditiously with the settlement and distribution of a decedent's estate under the supervision of the court. Subitem (b) provides that within 90 days after appointment, the personal representative shall file with the court the inventory and appraisal required by Code §62-3-706.

South Carolina Probate Code §62-3-706 provides that the personal representative file the inventory and appraisal with the probate court as follows:

Within ninety days after his appointment, a personal representative, who is not a special administrator or a successor to another representative who has previously discharged this duty, shall:

- (1) prepare an inventory of property owned by the decedent at the time of his death, together with such other information as may be required by the South Carolina Department of Revenue, listing it with reasonable detail, and indicating as to each listed item, its fair market value as of the date of the decedent's death, and the type and amount of any encumbrance that may exist with reference to any item;
- (2) file the original of the inventory with the court;
- (3) mail a copy to interested persons who request it.

The court, upon application of the personal representative, may extend the time for filing or making the inventory and appraisal.

Code Section 12-16-1220 provides for the probate judge to furnish the inventory and appraisal with the Department as follows:

The probate judge shall send to the department by mail a copy of the inventory and appraisal of the assets of every estate the gross assets of which for probated purposes are equal to or exceed the sum of \$600,000 within thirty days after it is filed, together with a copy of any will probated with respect to the estate. In the case of a nonresident decedent, the probate judge shall furnish the department with copies of all wills filed with his office and, in the case of an ancillary administration, the probate judge shall furnish the department with copies of inventories and appraisals in all cases regardless of the value of the tangible personal property and real property having a situs in this State.

PROCEDURE

Based upon the above statutes, a personal representative must file an “Inventory and Appraisement,” Probate Court Form 350, with the Probate Court within 90 days following appointment.

Similar to the estate tax form, the inventory and appraisal form is used to disclose a description and value of property includable in the decedent’s gross estate for estate tax purposes. The schedules are:

Schedule A	Real Estate
Schedule B	Stocks and Bonds
Schedule C	Mortgages, Notes, and Cash
Schedule D	Insurance on Decedent’s Life
Part I - Payable to Estate	
Part II - Payable to Beneficiary	
Schedule E	Jointly Owned Property
Schedule F.....	Other Miscellaneous
Schedule G.....	Transfers during Decedent’s life
Schedule H.....	Powers of Appointment
Schedule I.....	Annuities

This advisory opinion pertains to the reporting requirements on Schedules D (Part II), G, H, and I and the recapitulation of these schedules. **If the personal representative writes the phrase “Federal Estate Tax Return Required” or “Federal Estate Tax Return Not Required” on top of page 1 of Probate Court Form 350 - “Inventory and Appraisement,”** then the Department will accept Schedules D (Part II), G, H, and I and page 1 of Form 350 completed as follows:

1. A dollar value is not required for items listed in Schedules D (Part II), G, H, or I, except for annuities payable to the estate as noted in item 3 below.
2. Schedules D (Part II), G, H, and I must contain an itemized description of the property owned by the estate.
3. A description of Schedule I items must be separated into annuities payable to the estate and annuities payable to the beneficiary. Since annuities payable to the estate are part of the probate estate, a dollar value and a description is required for this property.
4. A description of Schedule D items are separated into insurance on the decedent’s life payable to the estate (Part I) and insurance on the decedent’s life payable to a beneficiary (Part II). Since insurance payable to the estate in Part I is part of the probate estate, a dollar value and description is required for this property.

5. A dollar value is not required in the recapitulation for Schedules D (Part II), G, H, and I, except for annuities payable to the estate as noted in item 3 above.

SOUTH CAROLINA DEPARTMENT OF REVENUE

s/Elizabeth A. Carpentier
Elizabeth A. Carpentier, Director

January 22, 2001
Columbia, South Carolina