

WEST VIRGINIA FIDUCIARY INCOME TAX RETURN For Resident and Nonresident Qualified Funeral Trusts



Calendar Year _____ or Fiscal Year Ended _____, 19_____

Federal Employer's Identification Number	Number of QFT's Included On This Return
Name of Trust:	Number of Resident QFT's _____
Name, Address and Title of Trustee:	Number of Nonresident QFT's _____
	Check if Applicable
	Final Return <input type="checkbox"/>
	Amended Return <input type="checkbox"/>
	Composite Return <input type="checkbox"/>

1. Federal Taxable Income (enter line 12, Federal Form 1041-QFT; if composite return, see instructions)		1.		
2. ADDITIONS				
a. Interest Income on State and Municipal bonds, other than West Virginia	2a.			
b. Other additions - state nature and source	2b.			
3. Total additions (add lines 2a and 2b)		3.		
4. SUBTRACTIONS				
a. Interest income on US obligations specifically exempt from State tax	4a.			
b. West Virginia exemption	4b.	600.00		
c. Other subtractions - state nature and source	4c.			
5. Total subtractions (add lines 4a through 4c)		5.		
6. West Virginia taxable income (line 1 plus line 3 minus line 5)		6.		
7. West Virginia Tax (check one) <input type="checkbox"/> Rate Schedule <input type="checkbox"/> Schedule NR <input type="checkbox"/> Schedule T <input type="checkbox"/> Composite		7.		
8. Business Credits	8.			
9. Credit for income taxes paid to other states	9.			
10. Previous payments/Payments with extension of time	10.			
11. Total credits (Sum of lines 8, 9 and 10)		11.		
12. If line 7 is greater than line 11, enter BALANCE DUE		12.		
13. INTEREST for late payment		13.		
14. ADDITIONS to tax for late filing and/or late payment		14.		
15. Total TAX due (Add lines 12 through 14)		15.		
16. If line 11 is greater than line 7, enter OVERPAYMENT		16.		
17. Amount to be CREDITED to next year's tax	17.			
18. Amount to be REFUNDED		18.		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete.

(Signature of trustee or officer representing trustee)	(Title)	(Date)
(Signature and title or preparer other than trustee)		(Address)

Mail to:

West Virginia State Tax Department
Internal Auditing Division
P.O. Box 1071
Charleston, West Virginia 25324-1071

DO NOT USE THIS SPACE

SCHEDULE NR

PART I - NONRESIDENT INCOME AND ALLOCATION (To be completed by nonresident qualified funeral trusts only)

INCOME	COLUMN I REPORTED ON FEDERAL RETURN		COLUMN II ALLOCATED TO WEST VIRGINIA	
1. Interest Income	1		1	
2. Dividends	2		2	
3. Capital gain or (loss)	3		3	
4. Other Income (state nature of income)	4		4	
5. Total Income (add lines 1 through 4)	5		5	

DEDUCTIONS	COLUMN I REPORTED ON FEDERAL RETURN		COLUMN II ALLOCATED TO WEST VIRGINIA	
6. Taxes	6		6	
7. Trustee Fees	7		7	
8. Attorney, accountant, and return preparer fees	8		8	
9. Other Deductions not subject to the 2% floor	9		9	
10. Allowable miscellaneous itemized deductions subject to 2% floor	10		10	
11. Total deductions (sum of lines 6 through 10)	11		11	
12. Taxable income (line 5 minus line 11)	12		12	

PART II - CALCULATION OF WEST VIRGINIA TAX

13. West Virginia Taxable Income (page 1, line 6)..... _____
14. Tentative Tax (Apply rate schedule to the amount on line 13)
15. Income Percentage (carry to four decimal places)

$$\frac{\text{WV income (line 12, col.II)}}{\text{Federal income (line 12, col.I)}} =$$

16. West Virginia Tax (Line 14 times line 15)
(Enter here and on page 1, line 7)

Note: The federal income used in the calculation of the income percentage (line 15) must be increased by the amount of any gain (reduced by any deductions) upon which tax is imposed under section 644 of the Internal Revenue Code.

Check box on line 7, page 1 for Schedule NR.

INSTRUCTIONS FOR NONRESIDENT QUALIFIED FUNERAL TRUST GENERAL INSTRUCTIONS

Schedule NR must be completed for all nonresident qualified funeral trusts having items of income, gain or deduction derived from West Virginia sources. Schedule NR is designed to conform to the federal qualified funeral trust return. Column I must be completed regardless of the source of income, gain or deduction. These figures are taken directly from Federal Form 1041-QFT. In column II, enter the amount which is attributable to or connected with West

Virginia sources. Because of the conformity of all amounts in column I of Schedule NR to the federal return, the instructions for the federal return are equally applicable here. The specific instructions below relate only to column II, to be used by nonresident qualified funeral trusts for allocation of income and deductions to West Virginia and West Virginia taxable income.

SPECIFIC INSTRUCTIONS FOR SCHEDULE NR (Column II)

Enter that amount which is attributable to West Virginia only.

Lines 1 and 2 - Interest and dividends: Interest and dividends should be allocated to West Virginia only to the extent that such income is from property employed in a business, trade, profession or occupation carried on in this State.

Line 3 - Capital gain or (loss): Enter the net amount of gains or (losses) from capital assets. The net gains or (losses) allocable to West Virginia are those from the sale or exchange of property having a situs within the State.

Line 4 - Other income: Enter the total amount of other income which is allocated to West Virginia and not specifically mentioned above.

Line 6 - Taxes: Enter the amount of taxes allocated to West Virginia. Taxes are allocated to the extent such are connected with the operation of a business or property having a situs within the State.

Line 7 - Trustee fees: Enter the deductible fees paid to the trustee for

administering the trust during the tax year that are connected to West Virginia. **Note:** Trustee fees deducted on Federal Form 706 cannot be deducted on this form.

Line 8 - Attorney, accountant, and return preparer fees: Enter the deductible fees paid by the trust during the tax year that are connected with West Virginia.

Line 9 - Other deductions not subject to the 2 percent floor: Enter the total amount of all other expenses authorized by law and allocated to West Virginia. These expenses must be connected with income previously allocated to West Virginia.

Line 10 - Allowable miscellaneous deductions subject to the 2 percent floor: Enter the amount of the allowable miscellaneous deductions subject to the 2 percent floor. These deductions must be connected with income previously allocated to West Virginia.

WEST VIRGINIA FIDUCIARY INCOME TAX (QFT) RETURN INSTRUCTIONS

GENERAL INSTRUCTIONS

RESIDENT AND NONRESIDENT QUALIFIED FUNERAL TRUST

DEFINED-Form IT-141QFT is designed to be used for either a resident or nonresident qualified funeral trust. A qualified funeral trust is a qualified funeral trust as defined under applicable federal law. A resident qualified funeral trust is a qualified funeral trust created by or consisting of property of a person domiciled in this state. A nonresident qualified funeral trust is one other than a resident qualified funeral trust as defined above. The residence of the trustee does not affect the classification of the qualified funeral trust as a resident or nonresident.

QUALIFIED FUNERAL TRUSTS REQUIRED TO FILE A RETURN

- Fiduciary returns must be filed for the following qualified funeral trusts:

- Resident trusts required to file a Federal Income Tax return, or having any West Virginia taxable income.
- Nonresident trusts having items of income or gain derived from West Virginia sources.

WHEN TO FILE - All returns must be filed on or before the 15th day of the fourth month following the close of the taxable year. The taxable year of the Qualified Funeral Trust for West Virginia income tax purposes is the same as the one used for federal tax purposes. If the due date falls on a Saturday, Sunday or legal holiday, file by the next business day.

WHERE TO FILE - All returns must be filed with the West Virginia State Tax Department, Internal Auditing Division, P.O. Box 1071, Charleston, West Virginia 25324-1071.

USE OF FEDERAL FIGURES - All items of income and deduction to be used for West Virginia tax purposes are the same as for federal tax purposes and the meaning of all terms is the same, but are subject to verification, audit and revision. Please see the instructions (Schedule NR) for nonresident qualified funeral trusts.

EXTENSION OF TIME TO FILE - Any qualified funeral trust needing an

extension of time to file the West Virginia Fiduciary Income Tax Return (Form IT-141QFT) and/or that expects to owe income tax must file Form WV/NRW-1, Extension of Time to File Information Returns. File Form WV/NRW-1 on or before the due date of your return. Any qualified funeral trust granted an extension of time to file their federal return is granted the same extension of time to file their West Virginia return. An extension of time to file does not extend the time for payment. To avoid interest and additions to tax for late payment, use Form WV/NRW-1 to make a tentative payment pending the filing of your annual return.

COMPOSITE RETURN - A trustee may file a single, composite Form IT-141QFT for all qualified funeral trusts of which he or she is the trustee. Generally, a qualified funeral trust included on a composite return must have a calendar year as its tax year. However, you may also include on a composite return a qualified funeral trust that would have had a calendar year tax year but that had a short tax year because it terminated during the year if you file the composite return no later than the due date for the short tax year.

You must attach a schedule to a composite Form IT-141QFT that includes the following information for each qualified funeral trust (or separate interest if treated as a separate qualified funeral trust):

- The name of the owner or the beneficiary. If you list the name of the owner and that trust has more than one beneficiary, you must separate the trust into shares held by the separate beneficiaries;
- The type and gross amount of each type of income earned by the qualified funeral trust for the tax year;
- The type and amount of each deduction and credit allocable to the qualified funeral trust;
- The tax and payments made for each qualified funeral trust; and
- If the qualified funeral trust was terminated during the year, give the date of the termination.

SPECIFIC INSTRUCTIONS

A resident qualified funeral trust must complete page 1 of Form IT-141QFT. **A nonresident qualified funeral trust must also complete Schedule NR, Parts I and II.**

Line 7 - West Virginia tax: The amount of West Virginia income tax is to be calculated from the West Virginia Tax Rate Schedule. A nonresident qualified funeral trust must complete Schedule NR to determine the amount of West Virginia tax. If the qualified funeral trust was subject to the federal Alternative Minimum Tax, Schedule T must be used to compute the West Virginia total tax due.

Line 8 - Business Credits: The sum of the following: (1) Military Incentive Credit (Sch. J), (2) WV Capital Company Credit (Sch. CCP), (3) WV Business Investment and Jobs Expansion Credit (Sch. BCS-1 or BCS-Small), (4) Credit for Qualified Rehabilitated Buildings Investment (Sch. RBIC), or other applicable credits.

Line 9 - Credit for income taxes paid to other states: The amount to be entered here is to be determined by the completion of Schedule E, Form IT-140 (West Virginia Resident Income Tax Return). The schedule and a copy of the other state's return must be attached to support this entry.

Line 10 - Fiduciary Income Tax Payments: Enter fiduciary income tax payments on this line. Include any previous payments with extension of time, or if this is an amended return enter the amount of fiduciary income tax paid with the original return.

Line 13 - Interest: You must pay the entire tax due on or before the due date of the tax return (determined without regard to an extension of time to file). If you do not pay the entire tax due on or before the due date, you must pay

interest on the amount of the underpayment from the due date to the date paid. Interest is always due, without exception, on any underpayment of tax.

Interest is imposed at an adjusted rate established by the Tax Commissioner. The annual rate will never be less than eight percent (.08). The interest rate will be determined and in effect for periods of six months.

Contact the West Virginia State Tax Department, Taxpayer Services Division, for the interest rate currently in effect. The telephone number is (304) 558-3333 or toll free: 1-800-982-8297.

Line 14 - Additions to Tax - Late Filing: Additions to tax are imposed for failure to file a return on or before the due date (determined without regard to an extension of time to file). On any amount of tax shown to be due on the return, the additions to tax for late filing is five percent (.05) per month or any part of a month not to exceed twenty-five percent (.25).

Late Payment: Additions to tax are imposed for failure to pay all tax shown to be due on a return on or before the due date (determined without regard to an extension of time to file). The additions to tax for late payment is imposed at the rate of one half of one percent (.005) per month or part of a month not to exceed twenty-five percent (.25).

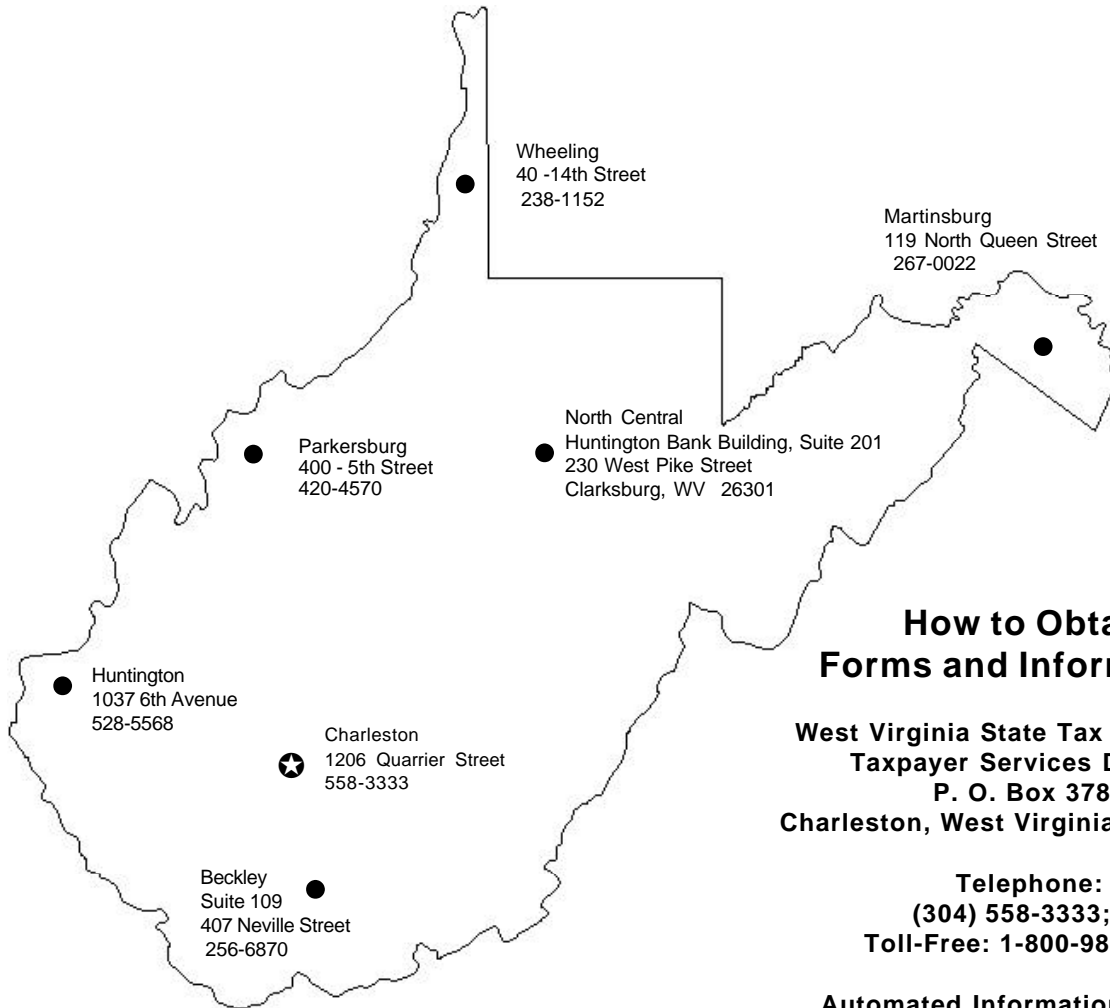
When both the five percent (.05) additions to tax for late filing and the one half of one percent (.005) additions to tax for late payment are imposed, the maximum monthly percent is five percent (.05) not to exceed forty-seven and one-half percent (.475) of the tax due.

Remit the amount due on line 15 by check made payable to the West Virginia State Tax Department.

**WEST VIRGINIA TAX RATE SCHEDULE
FOR RESIDENT AND NONRESIDENT
QUALIFIED FUNERAL TRUSTS
APPLY RATE SCHEDULE TO THE WEST VIRGINIA
TAXABLE INCOME ON LINE 6**

Less than \$10,000	3% of the taxable income
At least - But less than -	
\$10,000 \$25,000	\$ 300.00 plus 4% of excess over \$10,000
\$25,000 \$40,000	\$ 900.00 plus 4.5% of excess over \$25,000
\$40,000 \$60,000	\$1,575.00 plus 6% of excess over \$40,000
\$60,000	\$2,775.00 plus 6.5% of excess over \$60,000

**West Virginia State Tax Department
Taxpayer Assistance Locations**



**How to Obtain
Forms and Information:**

**West Virginia State Tax Department
Taxpayer Services Division
P. O. Box 3784
Charleston, West Virginia 25337-3784**

**Telephone:
(304) 558-3333; or
Toll-Free: 1-800-982-8297**

**Automated Information System:
(304) 344-2068 or
Toll-Free Within West Virginia
1-800-422-2075**

**Hearing Impaired?
TDD Service 1-800-282-9833**

**Internet Address:
<http://www.state.wv.us/taxdiv>**