

# Instructions for REV-1502 Schedule A

## Real Estate

REV-1502 EX (10-15)

### GENERAL INFORMATION

#### PURPOSE OF SCHEDULE

Use REV-1502 Schedule A to report all Pennsylvania real estate held by the decedent solely or as tenant-in-common.

### FORM INSTRUCTIONS

#### ESTATE OF

Enter the complete name of the estate as shown on the REV-1500, Pennsylvania Inheritance Tax Return.

#### FILE NUMBER

Enter the file number of the estate assigned by the Register of Wills as shown on the REV-1500, Pennsylvania Inheritance Tax Return.

### GENERAL INSTRUCTIONS

#### DESCRIPTION

Report the physical street address of the property and the parcel ID number.


When reporting the fractional interest in a parcel of real property owned as a tenant-in-common, state the decedent's fractional interest, include the full value of the property with the description, and enter only the value of the decedent's interest in the column marked, "Value at Date of Death". Supply a copy of the deed showing the fractional interest.

#### VALUE AT DATE OF DEATH


Estates are required to report all real estate at the fair market value as of the date of death. Fair market value is defined as the price at which the property would be sold by a willing seller, not compelled to sell, to a willing buyer, not compelled to buy, when both have reasonable knowledge of the relevant facts.

There are three methods to value the property at date of death: sale price, appraisal value or county tax assessment multiplied by the common level ratio factor.

The Department of Revenue allows up to 15 months after the date of death to report a sale price. If you use the sale price, you must report the gross sales price.

 **Important.** Attach a copy of the tax assessment notice, certified appraisal, or settlement sheet (HUD1) used to value the real property.

If the real estate was sold to a family member or anyone associated with the administration of the estate, an appraisal or other documentary evidence of the fair market value must be submitted to verify that the real estate was sold at the fair market value.

 **Important.** Sale price can only be reported if the real estate was sold within 15 months of the date of death.

#### Special Farm Use Valuation

For dates prior to July 1, 2012, land devoted to agricultural use, agriculture reserve or forest reserve may be eligible for preferential assessment measured by particular use, rather than by fair market value. This preferential valuation may be used to determine county property tax assessments. If you elect to use this method of valuation, the special use valuation under the Pennsylvania Farmland and Forest Land Assessment Act of 1974, 72 P.S. §5490.1, et. seq. must be reported. You will also be required to submit fair market value appraisals of the residential property, farm outbuildings and agricultural

property so that a proper valuation may be made if the special use is discontinued or if the property does not meet all requirements.

#### Agriculture Exemptions

For dates of death on or after July 1, 2012, real estate that qualifies under the Agriculture Exemptions enacted by Act 85 of 2012 may be exempt from inheritance tax. For more information, refer to Inheritance Tax Informational Notice Inheritance tax 2012-01.



**Note.** Real estate held between a decedent and his or her surviving spouse as either tenants by the entireties or joint tenants with right of survivorship for more than one year prior to the decedent's death is exempt from inheritance tax.



**Note.** Real estate situated outside of Pennsylvania is exempt from Pennsylvania inheritance tax unless under contract to sell prior to death. See REV-1508, Schedule E.

#### TOTAL

Total all items in the Value at Date of Death column and enter value here. Enter this value on Line 1, Page 2 of the REV-1500.



**Caution.** A retained life estate is fully taxable and should be reported on REV-1510, Schedule G.

Real estate held as joint with right of survivorship, except between spouses, is reportable on REV-1509, Schedule F.

All real estate held in a trust should be reported on REV-1510, Schedule G.

The decedent's indebtedness for any mortgages on the real estate reported on this schedule should be claimed on REV-1512, Schedule I.