

# Instructions for REV-1503 Schedule B

## Stocks and Bonds

REV-1503 EX (02-15)

### GENERAL INFORMATION

#### PURPOSE OF SCHEDULE

Use Rev-1503 Schedule B to report all stocks and bonds 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

The stock description must include the number of shares, whether common or preferred, par and market values, the exact name of the corporation and CUSIP number, if available.

The bond description must include the type of bond, quantity, denomination, obligor, date of maturity, interest rate, and interest due dates.

#### VALUE AT DATE OF DEATH

Estates are required to report all stocks and bonds at the market value as of the date of death.

 **Tip** Fair market value is determined by taking the mean of the highest and lowest quoted selling prices on the date of death.

Where death occurs on a weekend, the valuation of any stock listed on the

Nasdaq or other major exchange is the average of the mean between the high and low for Friday and the mean between the high and low on the Monday after death. Where death occurs on a holiday, the valuation of such stock is the average of the mean of the high and the low on the day preceding the holiday and the mean between the high and low of the succeeding market day. If there were no sales on the valuation date, but there were sales on dates within a reasonable period both before and after the valuation date, the fair market value is determined by taking a weighted average of the means between the highest and lowest sales on the nearest date before and the nearest after the valuation date. The average is to be weighted inversely by the respective numbers of trading days between the selling dates and the valuation date.

In cases of stock quotations listed as "Over the Counter", use the mean between the bid and asked. The "alternate valuation" is not accepted for Pennsylvania Inheritance Tax purposes.

 **Note.** U. S. Savings Bonds, series E, EE and I must be reported at the date of death redemption value. Series H and HH must be reported at the face value.

Mutual funds are to be reported at the net asset value (NAV). Include as a separate item dividends not collected at death but payable to the decedent or estate because the decedent was a stock-holder of record on or before the date of decedent's death. When stock is being traded on an exchange and is selling ex-dividend on the date of the decedent's death, add the amount of the dividend to the

ex-dividend quotation to determine the fair market value of the stock as of the date of the decedent's death. Interest due, but not collected, and interest accrued, but not due as of the date of the decedent's death, is taxable and must be reported on this schedule.

 **Important.** Capital stock, registered bonds, a security or a security account held by the decedent in a "Transfer on Death" [TOD] designation, a "Payable on Death" [POD] designation or any other beneficiary designation format must be reported on REV-1510, Schedule G.

In order to satisfy the reporting requirements the estate may file a return and pay the tax prior to the transfer of the asset. If that is not possible, you may also receive a waiver from the Department of Revenue prior to the transfer, or simply provide written notice of the transfer to the department within ten days of the transfer. The latter two options for compliance can be accomplished by using form REV-516 to request a waiver or provide the appropriate notice within ten days.

#### TOTAL

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

 **Caution.** Stocks, securities, jointly held with rights of survivorship, are to be reported on REV-1509, Schedule F.

Stocks and securities accounts held in a beneficiary form should be reported on REV-1510, Schedule G.